

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

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Thursday June 26 1986

D 8523 B

Under the spell of
the triple witching
hour, Page 12

World news Business summary

Israeli security chief resigns

Israeli internal security chief Avraham Shalom resigned after he was granted immunity from prosecution by President Herzog, calling into question a police inquiry into allegations that he ordered the killing of two captured Arab guerrillas. Three other security men involved in the cover-up of the deaths have also been granted immunity in an attempt to take the sting out of the scandal. The move brought a storm of protest among members of the Knesset concerned about the observance of the rule of law. Page 2.

Violent welcome

Exiled opposition leader Domingo Laineo was beaten by police at Asuncion Airport when he attempted to return to Paraguay, and was forced to go back to Uruguay, opponents of the regime said.

Death row appeal

A second application to delay the execution of two Australians sentenced to hang for drug trafficking in Malaysia was filed, and may be heard tomorrow.

EEC butter peak

A record 100,000 tonnes of butter entered the European Community's cold stores last month, swelling its butter "mountain" to a record high of 1.3m tonnes.

Strikers rampage

French shipyard workers ripped up railway lines, blocked traffic and occupied town halls in Southern France in protest at Government cuts in subsidies to the industry.

Peace bid marred

President Jayawardene unveiled a plan to devolve power to provincial councils in a bid to end Sri Lanka's bloody ethnic conflict as violence killed 19 and wounded 61.

Kenya to hang

Two men were sentenced to death for the murder of Kenyan MP Horace Owiiti. Prosecutors said he was clubbed to death on the instructions of former Government Minister Otieno Ambala, who lost his parliamentary seat to Owiiti but died in jail before the trial.

Tito's widow barred

Jovanka Broz, widow of the late Yugoslav Leader, was barred from the national Communist Party conference at Belgrade. She is involved in a dispute about his estate, and has been seeking to see party leaders.

Zimbabwe row

The Zimbabwe High Court has asked the Security Minister to justify the re-arrest of two white customs officers twice freed by the Supreme Court after being accused of spying for South Africa.

Divorce plea

Garret FitzGerald, Irish Prime Minister, appealed to Irish voters not to direct proposals to introduce divorce in a referendum today following an opinion poll showing it might be defeated by a significant margin. Page 2.

Manila aid

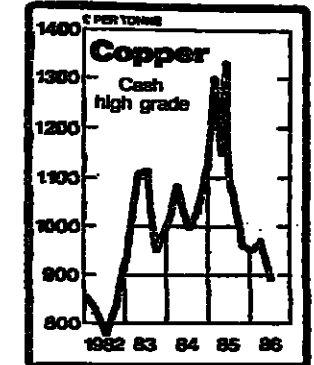
US Secretary of State George Shultz handed over \$200m in aid to the Philippines and shrugged off high-level criticism from Manila it was rent for military bases, not assistance.

Briefings halted

South Africa suspended daily press briefings on political unrest, claiming it has declined sharply since a national state of emergency was imposed two weeks ago.

Copper at 3-year low in London

COPPER cash price fell £22 to a 3½-year low of £897.50 a tonne on sterling strength against the dollar and news of Newmont Mining of the USA's tentative agreement with its workers. Page 26



WALL STREET: The Dow Jones industrial average closed 9.50 up at 1,885.65. Page 24

TOKYO: Expectations of lower interest rates spurred the Nikkei average to a record 17,516.63, up 174.23. Page 24

LONDON: Equities resumed last week's rise in the wake of Wall Street's improvement on Tuesday. The FT Ordinary share index closed 5.4 up at 1,944.8 and the FT-SE 100 added 4.5 to end at 1,834.4. Page 24

DOLLAR fell in London to DM 2.2160 (DM 2.2220); FF 7.0850 (FF 7.0825); SF 1.1875 (SF 1.1820), and Y166.00 (Y168.60). On Bank of England figures the dollar's index fell to 115.0 from 115.5. Page 27

STERLING was unchanged in London to close at \$1.5170. It fell to DM 3.3825 (DM 3.3700); FF 10.7175 (FF 10.7450); SF 2.1775 (SF 2.1760), and Y251.75 (Y25.75). The pound's exchange rate index rose 0.3 to 76.1. Page 27

GOLD rose \$1 to \$344.25 on the London bullion market. It also rose in Zurich to \$344.25 from \$342.20. Page 28

HUNGARY'S 1.2 per cent industrial growth rate in the first five months of the year fell considerably short of the 2 to 2.5 per cent 1986 target. Page 2

FRENCH steel industry must lose 25,000 jobs over the next five years to become internationally competitive, the French Government was told. Page 2

KREDIETFRANK S.A. Luxembourg, associate of a big Belgian banking group, bought a stake of just over 20 per cent in Brown Shipley, UK accepted house, from Hearst-ABC Holdings of London and GBL of Brussels in a \$34.1m deal. Page 14

BRITAIN imposed control on the price of salt. Page 14

UK COMPUTER software companies say a government report seriously misrepresents the industry by calling for measures to reverse the foreign domination of the UK market. Page 5

CABLE AND WIRELESS, the telecommunications group, reported pre-tax profits up 30 per cent at £285m on turnover up 5 per cent at £907m. See Page 14; Page 20

GECC ATOMS said it was close to solving radar problems on the Nimrod airborne early warning project and could put three Nimrods into RAF service by the end of 1987. Page 5

TOYOTA MOTOR, Japan's largest car maker, announced a third price rise in less than a year for its European exports. Page 4

RUPERT MURDOCH'S News Corporation is expected to announce the sale of the Chicago Sun-Times within the next few days. Page 15

FIAT, the Italian car company, and Matra, the French state-controlled defence and electronics conglomerate, have been given tacit approval by the French Government to merge their components manufacturing activities. Page 15

IRI, Italy's largest state holding company, expects to cut losses by nearly two-thirds this year. Page 16

UK may face action by Commonwealth over SA sanctions

BY ROBERT MAUTNER IN LONDON AND ANTHONY ROBINSON IN JOHANNESBURG

A NUMBER of Commonwealth countries are examining the possibility of adopting measures against Britain if Mrs Margaret Thatcher, the Prime Minister, continues to oppose additional sanctions against South Africa.

The response of Britain's Commonwealth partners, should Mrs Thatcher refuse to subscribe to supplementary economic measures against Pretoria at the Commonwealth mini-summit in London at the beginning of August, has been discussed by Sir Shridath Ramphal, the Commonwealth Secretary-General, with some Commonwealth leaders over the past few days.

Examples given by officials of the kind of measures which Commonwealth countries could take against Britain are the nationalisation of British interests, such as Nigeria's takeover of BP's assets in 1970 on the eve of the Commonwealth conference on Rhodesia, and the closing down of diplomatic missions.

In South Africa, meanwhile, President P.W. Botha has signed into law two new security bills which give the Government sweeping powers, even if the current state of emergency is lifted.

The measures, signed late on Tuesday, give the Government authority to declare any part of the country an "unrest area" in which

the security forces, who will have immunity from prosecution, can impose a clampdown on opposition. The Government can also detain people without trial for 180 days.

The bills were opposed in the country's tricameral parliament by 159 votes to 148, but the President used his high-powered advisory council to steamroller the bills through.

Parliament nevertheless remains one of the few forums for criticism of the Government and Mrs Helen Suzman, the veteran anti-apartheid campaigner, displayed a list of 300 people detained under the country's state of emergency saying she had another list with 1,500 names.

According to a report issued yesterday by the labour monitoring group at the University of the Witwatersrand, more than 170 trade unionists are among those held. Mrs Suzman told parliament that the Government was moving closer to a total police state. The Government's refusal to give information about detainees, she said, "puts South Africa in the same category as El Salvador and Argentina, where people went missing and the governments the day refused to say whether those concerned were dead or not."

Sir Shridath, meanwhile, who

was in Lusaka last weekend for talks with President Kenneth Kaunda, the Zambian President, is now in New Delhi for discussions with Mr Rajiv Gandhi, the Indian Prime Minister, before going on to Guyana to attend the Caribbean Heads of Government meeting next week.

At the same time, Chief Emeke Anyaoku, the Commonwealth Deputy Secretary-General, has been consulting political leaders in Nigeria, Zimbabwe and Tanzania on the next steps to be taken by the Commonwealth to bring about a peaceful and democratic solution of the South African problem.

Alarmed at the threat by President Kaunda to leave the Commonwealth if Britain remained adamant on sanctions, Sir Shridath has been trying to persuade Commonwealth leaders that such a move, which could have a snowball effect, would be highly undesirable.

Not only would it break up a group of nations linked by a common history and language, which could still play a useful role in world affairs, but it could only strengthen South Africa's resistance to any pressures imposed from the outside. A divided Commonwealth is a divided force.

Continued on Page 14

Berlin institute urges Bonn to fuel expansion

BY RUPERT CORNWELL IN BONN

THE WEST GERMAN Government was yesterday issued a powerful domestic summons to adopt a more expansive economic policy - if it wished to preserve the chances of faster growth at home, and to defuse an ever-mounting resentment of the country's massive trade and current account surpluses abroad.

The closely argued case for a fundamental shift in the hitherto unwaveringly conservative management of the economy by Mr Gerhard Stoltenberg, the Finance Minister, comes from the influential German Institute for Economic Research (DIW).

Although the Berlin-based DIW has long had the reputation of being the most "left wing" of the five major German economic institutes, its criticisms mirror exactly those made, more or less diplomatically, by many of Bonn's main trading partners, and could therefore be of much embarrassment to the centre-right coalition, which faces a general election in only seven months time.

The DIW's premise is that despite the present exceptionally favourable macro-economic climate, West Germany's growth, on the basis of present policies, will fall next year to 2.5 per cent, against the 3 per cent or more expected for 1986.

The consequence would be not only to leave unemployment at around its present level of 2m, but also to hoist the country's foreign surpluses - already a "disturbance to the development of the world economy" - to yet more stratospheric levels. In 1986 the trade surplus might reach DM 115bn (\$50bn), while the current account surplus, the most widely employed measure of a country's external performance, could hit DM 60bn this year, and DM 65bn in 1987.

"This external imbalance is the mirror image of imbalances in consumption at home," the DIW noted. Moreover, the conventional arguments against a deliberate stimulus of the domestic economy - notably that West Germany alone was not large enough to act as "locomotive" of the world economy, and that previous attempts to do so had failed -

were now outweighed by the risks inherent in continuing present policies.

There was no guarantee, the institute said, that the revivifications of the D-Mark to date will be enough to reduce the external surpluses, given the huge improvement in West Germany's terms of trade.

The danger was either of a further much larger, more disruptive parity adjustment, or that deficit countries would be goaded into protectionism. The DIW pointed in particular to the case of the US. Without the expansionary policies of the Reagan Administration, European nations would long since have had to take more stimulatory steps of their own. For them not to do so now, and merely to urge Washington to cut its deficits, "would be to turn the explanation for world economic developments over the last three years on its head."

The DIW urged changes in monetary and fiscal policy. This need not upset West Germany's enviable price stability - provided that the unions recognised that the large 4 per cent increase in real salaries in 1986 was a one-off event made possible by a sharp drop in import prices, and that they did not seek a repeat next year.

The DIW said that the Bundesbank should permit faster growth of the money supply. At least as fast as the above-target growth of recent months, which so preoccupies the central bank. This would allow fast expansion of gross national product to be financed without threatening a surge in inflation.

In direct contrast to Mr Stoltenberg, the DIW opposed any further cuts in the central government deficit - now in any case under DM 25bn or 1.5 per cent of GNP. It wants a more regular flow of necessary funds to local authorities, urging long-term employment programmes as a middle way between "financial overactivism" and "dogmatic thrift." It described Mr Stoltenberg's abrupt move last week to freeze DM 1bn of public spending in 1986 in order to stay within budgetary ceilings, as "thoroughly destabilising."

Mexicans hope to break debt deadlock

By David Gardner in Mexico City

A TOP-LEVEL Mexican negotiating team headed by Mr Gustavo Petricoli, the new Finance Minister, is due in Washington today for what the Government hopes will be talks that break five months of deadlock with the IMF and Mexico's creditors over the country's foreign exchange crisis and new adjustment programme.

For most of this year, Mexico has been seeking concessions on the servicing of its \$97bn foreign debt, and a flexible economic programme to ease the US. Without the expansionary policies of the Reagan Administration, European nations would long since have had to take more stimulatory steps of their own. For them not to do so now, and merely to urge Washington to cut its deficits, "would be to turn the explanation for world economic developments over the last three years on its head."

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Mr Petricoli is expected to be accompanied by officials from his own ministry, two of whom are already in Washington, and by senior officials from the Bank of Mexico and the Planning Ministry.

He told foreign correspondents yesterday that his instructions from President Miguel de la Madrid were to meet two basic requirements:

● To secure new resources which will allow Mexico to grow at the "minimum necessary level" of 3 to 4 per cent in 1987-89.

● To secure concessions from Mexico's creditors which will alleviate the debt service burden, adjusting it to Mexico's real capacity to pay.

Mr Petricoli, who was accompanied by Mr Carlos Salinas, the Planning Minister, would not be drawn on figures or percentages, but confirmed that a sliding scale of debt service payments and new money, linked to Mexican export earnings, principally from oil, "is one possibility we wish to discuss, but not the only one."

He also affirmed Mexico's determination to safeguard its existing level of foreign exchange reserves - believed to stand at just over \$2.5bn in liquid terms - leaving open the question of whether Mexico would meet debt service payments at the end of this month.

The main stumbling block with the Fund has been the size of the budget deficit, which is heading this year for at least 13 per cent of GDP.

EEC summit seeks unity over Pretoria

BY QUENTIN PEEL IN BRUSSELS

IF IT were not for South Africa, the European Community summit meeting which opens in the Hague today would be just what it was meant to be: a very humdrum affair.

For the first time in recent years, the EEC leaders were set to sit down together without any bitter family quarrel needing resolution, nor facing any urgent deadline for decision. They would be able to take a long-range, statesmanlike view of the major policy issues on the Community table, set broad guidelines for their subordinates to follow, and have a few pleasant meals together.

South Africa seems likely to upset that cosy situation. There is still no real meeting of minds on just what needs to be done to bring pressure to bear on the South African Government. Everyone agrees on the need to promote a genuine black-white dialogue in the country, but few can agree on how to do it.

The 12 foreign ministers are to get together first thing this morning in a last-ditch effort to agree on a common strategy before their heads of government arrive at lunchtime. All eyes will inevitably be on Sir Geoffrey Howe, the British Foreign Secretary, whose government has hitherto been the staunchest opponent of outright economic sanctions.

The key question is just how far the British Government - and the West German Government which is broadly in sympathy - will move to agree on some form of economic "measures", in addition to diplomatic gestures, and various forms of "positive" action in support of anti-apartheid groups.

Most of the other member states are in favour of taking some form of economic action, such as imposing a boycott on imports of South African wine, fruit and vegetables, or severing air links set out in the report for the foreign ministers, together with an analysis of their likely effects in the Community and in South Africa. They do not come with any clear recommendations, officials say.

The fear in Brussels is that if the foreign ministers fail to agree, the whole South African affair will spill over and fill most of the summit agenda for the two days intended.

For all the relative lack of immediately contentious items, the rest of the agenda is very much the bread-and-butter of EEC relations, giving and the Community leaders a real opportunity to put their stamp on the developments of coming years.

It lacks one crucial item: the bud-

get. That has been deliberately left out, because it is generally recognised that a majority of the member states are simply not ready to deal with it. The fact that within six months of increasing the level of contributions to Brussels the money is already in imminent danger of exhaustion, is not particularly palatable.

The cash crisis will be the first big headache for the British chairmanship of the EEC starting on July 1, with a decision by the European Court of Justice on the legality of the current budget due in the first week. No one really wants to prejudge the issue.

The 12 heads of government (and head of state, to take in President Francois Mitterrand of France) will rather turn their minds to the perennial question of how to generate more jobs from their present modest economic growth; deregulation and promoting small and medium-sized businesses remain the favourites of the month. The UK is strongly touting its joint approach with Italy and Ireland on very much those lines.

They must review the distinctly tortoise-like progress on the crucial subject of removing national barriers to internal trade - completing the Common Market by 1992, as they promised last year in Maastricht. The European Commission would like to see them give a clear political commitment to some specific actions on that front: a standstill on any changes in national indirect taxation which aggravate the present differences, for example. That may be too much to ask.

The same is true of measures to promote a "People's Europe" - and make the EEC more relevant to its citizens. There the EEC leaders are likely to put the stress on educational exchanges - although some would argue they should simply give a strong impetus to liberalising air fares if they wanted to make a real impact.

One potentially disruptive issue is still lurking on the sidelines: the determination of Mr Andreas Papandreu, the Greek Prime Minister, to raise the whole question of normalising relations with Turkey.

He is upset at the enthusiasm of most other member states to press ahead with a formal meeting with Turkey in September, when he argues that the Government's human rights record has yet to improve enough.

Otherwise, it is all up to South Africa, to see whether the occasion will be the harmonious affair earnestly sought by the Dutch presidency, or a much more upsetting occasion.

Fermenta chief faces insider trading probe

By Kevin Dons in Stockholm

SWEDEN'S banking inspectorate yesterday reported Mr Refaat el-Sayed, group chief executive and majority shareholder in Fermenta, the biotechnology and chemicals group, to the public prosecutor in Stockholm for an alleged breach of the country's insider trading law.

The inspectorate recommended that Mr el-Sayed should be investigated with a view to prosecution under a law which came into force in October last year, which makes insider trading an illegal act.

This is the first time that the inspectorate has taken such action. The range of penalties under the law include a fine, confiscation of any profits made as a result of illegal trading, or a prison sentence up to a maximum of six months in the most serious cases.

The banking inspectorate's decision to pass the case to the public prosecutor for further investigation is another heavy blow to Mr el-Sayed, who returned to the leadership of Fermenta only 1½ weeks ago.

He was forced to resign as managing director in February to stem the crisis of confidence in the company that erupted after the disclosure of his fake academic credentials.

Three weeks ago Fermenta received the heaviest fine possible and barely escaped expulsion from the Stockholm Stock Exchange for "inexcusable" breaches of its listing agreement with the bourse.

According to the banking inspectorate, Micro Chem, a company owned by Mr el-Sayed, bought 45,900 Fermenta B (unrestricted) shares on January 3 this year, the day after Fermenta had taken its first contacts with Volvo towards a major co-operation deal, which stunned Swedish financial markets when it was revealed on January 8.

Under the deal, Volvo was supposed to help Fermenta to take control of the two Swedish drug groups Pharmacia and Leo/Ferrosan. In return, Volvo would take a stake of around 25 per cent in Fermenta, which would thus acquire the leading role in a radical restructuring of the Swedish pharmaceuticals and biotechnology sectors.

The deal collapsed several weeks later in the unprecedented turmoil that enveloped Fermenta, when it was revealed that Mr el-Sayed had lied to investors about his academic qualifications as a microbiologist.

The banking inspectorate says that on the same day that Micro Chem, Mr el-Sayed's company, bought the Fermenta shares, Mr el-Sayed held a meeting with Mr Pehr Gyllenhammar, Volvo chairman.

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EUROPEAN NEWS

Euro-Court criticises Brussels over company secrets leak

BY TIM DICKSON IN LUXEMBOURG

THE European Court in Luxembourg has condemned the European Commission for divulging confidential company documents to a third party.

The judgment has vital implications for Community competition policy and calls into question the role of the Commission in this area as not only judge and jury, but prosecutor as well.

The case was brought last February by Akzo, the Netherlands-based international chemicals concern which was itself the subject of proceedings brought by the Commission under Article 86 of the Treaty of Rome.

This followed a complaint by

a small British company Engineering & Chemical Supplies (Epsom & Gloucester) that Akzo, the Community's most important supplier of benzyl peroxide, was attempting to protect its dominant position in this market through discriminatory pricing practices.

ECS alleged that Akzo was threatening to destroy its position in the market for flour additives if it expanded its activities into supplying the plastics industry.

Akzo has already been found guilty by the Commission of this offence and fined an unprecedented Ecu 10m (£6.4m) — but the company is appealing.

In investigating the ECS allegation the Commission obtained a number of documents from Akzo's Dutch and British offices, including some appearing to show that Akzo had violated the competition rules which were subsequently passed to ECS.

Akzo objected strongly because some of these papers were internal working documents which contained market sensitive information, were marked "private and confidential" and were addressed only to certain managerial staff.

They included reports on visits to customers containing information that had been supplied on a confidential basis.

Ireland holds a referendum today on what a shadow Minister described in Parliament as "one of the most fundamental and far-reaching issues to be put before the people since the foundation of the state."

The issue is whether or not to remove the country's constitutional ban on divorce. In many countries this might be regarded as a straightforward matter, but in Ireland, where the Roman Catholic church still wields great influence, it has caused a fierce debate.

If the proposal is defeated, as opinion polls indicate it might be, it could seriously damage the standing of Dr Garret FitzGerald, the Prime Minister, and his Fine Gael-Labour coalition, despite the fact that four of the five parliamentary parties are in favour of divorce and the fifth, the opposition Fianna Fail party, has publicly adopted a neutral stance.



Millions greeted the Pope on his visit to Ireland in 1979 and the Church has strongly opposed constitutional change.

broadside of 10,000 sermons against divorce, backed by pastoral letters by seven bishops.

Much of the opposition ruing, however, has been made by the secular anti-divorce campaign whose star has been Mr William Binchy, a persuasive young Dublin lawyer who has led an offensive which concentrated as much on a perceived threat to the property rights and income of divorced parents and children—the so-called first family—as on the surge in divorce figures which followed divorce legislation in other countries.

"With divorce, a man is permitted to take on obligations to a second wife. Yet he still only has one wage packet or salary. Two into one does not go," is one example of Mr Binchy's attack. So concerned was the Government of the effectiveness of this that it issued a special statement clarifying its intention to bring in legislation protecting the "first family."

In all this, the notion that a No vote would have significant repercussions in Northern Ireland where Protestant loyalists would certainly be quick to assert that reflection proved the republic was a sectarian state, have alien somewhat by the wayside.

"At a time when the situation in Northern Ireland is so delicately balanced, this is not something we can reasonably ignore," Dr FitzGerald said at the start of the campaign.

By the end, his main concern was to implore people to vote, especially the young, who make up such a large proportion of Irish society and who could carry the amendment is carried. Much may depend on whether there are sufficient Yes votes in the Dublin constituencies, which account for 30 per cent of the 2.4m electorate, to hold off the more conservative rural vote.

Transport initiative launched

BY OUR BRUSSELS STAFF

THE European Commission has launched an initiative to promote new transport links between member states, and fill in the "missing links" in the Community.

The transport infrastructure plan is intended to make the 12 member states take cross-border and intra-Community links — including sea links — more into account when planning big transport investment.

Improving transport links on routes involving a sea crossing; reduction of costs in transit traffic, especially on mixed road/rail or road/sea links; integration of outlying regions into the main EEC transport network; promotion of high performance

links between capitals and leading urban centres — especially high-speed train links.

The priorities seek to balance the needs and demands of the peripheral regions and countries of the Community, with the more popular emphasis on integrating the centre of the Community with high-speed trains.

The report singles out some particular bottlenecks in the Community in urgent need of investment, such as the access road to the Mont Blanc tunnel, on the Benelux-France-Italy route, and the section between Aachen and Cologne on the Benelux-West Germany-Switzerland route.

On Channel crossing routes, the report stresses the need for better road and rail access to channel ports, and better links between Belgian and Dutch ports, and those north of the Thames estuary in the UK.

The Commission yesterday agreed to postpone any moves to enforce competition rules on EEC national airlines until after the meeting of Community transport ministers next Monday.

The delay will also give time to see if the 12 Community heads of government themselves give any blessing to a gradual liberalisation of air fares, at their summit meeting in The Hague today and tomorrow.

Dr FitzGerald yesterday issued a last-minute appeal to Irish voters not to reject his proposal, following an opinion poll showing it could be defeated by a significant margin.

The poll, conducted last week by the Market Research Bureau of Ireland and published in the Irish Times, was the first to show a majority against the constitutional amendment since the campaign began. It showed 49 per cent against, 40 per cent in favour and 11 per cent undecided.

Dr FitzGerald said failure to honour minority rights had failed for at least five years and that proper provision had been made for dependent spouses and children.

There were other touches aimed at mollifying opponents, notably an undertaking to raise the legal age for marriage to 18 and to require a minimum period of three months notice of marriage.

With tens of thousands of people estimated to be suffering broken marriages in Ireland, the move was presented as a social issue. "This referendum is about whether we have the generosity to give people whose marriages have broken down a second chance and to allow them to remarry," said Mr Peter Barry, the Foreign Minister and leader of the Fine Gael pro-divorce campaign.

Such a reasonable sounding approach appeared to be the right one in the early days of the campaign when opinion polls showed a clear majority in favour of the amendment. But the powerful anti-divorce lobby, both clerical and secular, soon organised a relentless attack on the proposal, which has thrown the Government on the defensive and seems to have swung the vote round.

Turkey 'might curb imports'

BY DAVID BARCHARD IN ANKARA

UNEXPECTEDLY strong demand for imports and unnecessary fears among businessmen of a possible foreign exchange shortage may force the Turkish authorities to take steps to curb excess demand, Mr Yavuz Canevi, the central bank governor warned yesterday.

Mr Canevi said that he was less worried about Turkey's "repayment hump" of \$800m in principal and interest of foreign debt during a two-week period starting at the end of this month than by what he called "a psychological development in the Turkish market."

"I knew the debt hump was coming a year ago," he said, "and we made provision for it."

Foreign currency has been scarce in Turkey throughout this year since Iraq defaulted on its payments schedule in November last year, leaving Turkey with \$1bn unpaid. Corrective measures by the central bank in December when commercial banks were required to hand over 20 per cent of their foreign currency holdings led to a run on the market during the first two months of the year and a mini-devaluation on March 14.

Since then, the interbank market in Turkey in foreign currency has been dead, and there is little or no selling of foreign currency by the central bank, which uses its holdings of hard currency to meet debt obligations.

Mr Canevi admits that the present tendency to build up stocks for 12 months ahead arose partly because of mistakes made by the Turkish authorities earlier this year.

He said that the acceleration of import demand came chiefly from stocking up.

UK loses invalid care case

By Our Brussels Staff

THE European Court of Justice in Luxembourg has ruled that the British Government was guilty of sex discrimination by refusing to pay invalid care allowances to "a married woman living in a household with her husband."

The court's decision was brought by Mrs Jacqueline Drake with support from the Child Poverty Action Group — had already been anticipated by the Government on Monday when Mr Jacques Chirac, the UK Secretary of State, announced in Parliament that the rules would shortly be amended to include married women.

At present, men and single women who look after invalids are entitled to receive the £23 (£24.5) a week benefit.

The change will "entirely" remove any sex discrimination and is likely to lift the cost of the measure from £12m to £15m.

Mrs Drake's claimdown by the Government takes some of the sting out of the legal judgment, but it was nevertheless welcomed by a jubilant Mrs Drake who was present to hear the outcome in Luxembourg on Tuesday.

Married and living with her husband, Mrs Drake gave up her job in June 1984 to look after her mother, a severely disabled person who had gone to live with her.

In February last year, she applied for invalid care allowance but was told that the benefit was not payable to a married woman living with her husband.

The Social Security Appeal Tribunal last March found that this rule contravened European law, but the UK Department of Health and Social Security appealed against this verdict, and the case went to the European Court.

The court made it clear that a benefit such as invalid care allowance which is paid to a third party such as Mrs Drake — and not directly to the disabled person — "does not place it outside the scope of Directive No 76/77" (part of which is designed to ensure the progressive implementation of the principle of equal treatment for men and women in matters of social security).

Hungarian industry performs poorly

BY LESLIE COLTIT IN BUDAPEST

HUNGARY'S industrial growth rate of 1.2 per cent in the first five months of this year fell well short of the target of 2 per cent to 2.5 per cent growth in 1986 although industrial activity accelerated by nearly 20 per cent in April and May.

Mr Ferenc Havasi, the senior Hungarian Communist official responsible for economic policy, said industrial managers and government economists were blaming each other and "evading responsibility."

Another economic official said in Hungarian television that managers and planners

were accusing each other of being at the root of the problem. There was much talk, he noted, about a "crisis of confidence" in the Hungarian economy.

Hungary had a 1 per cent rise in industrial production last year while overall economic growth fell by 1 per cent.

Mr Havasi indicated in a speech to the Hungarian Chamber of Commerce that there were too many economic priorities while the "freedom of decision" of the Hungarian leadership was limited.

He noted that a more dynamic economic development was

needed to break out of the "vicious circle" in which Hungary found itself. Structural changes in industry, however, could not help the "pressing problems of 1986-87," he said.

Imports rose 14.1 per cent in the first four months while exports rose 6.9 per cent producing a \$270m hard currency trade deficit for the period.

Mr Havasi indicated that the planned 1 per cent annual growth in real income during the current five-year plan was not likely to be achieved "this year or next year." Public opinion in Hungary, he said, according to one Hungarian newspaper,

"acceptable."

The Central Committee of the party said world economic conditions continued to be "unfavourable" for Hungary. Pressures of imports and oil products, such as food and all products, were continuing to fall while EEC "discrimination" had caused appreciable losses.

Hungary has offered immediate cuts in wages and allowances to companies which increase hard currency exports. The export promotion scheme is expected to bring in an additional \$100m this year, according to one Hungarian newspaper.

Contracts and Tenders

INSTALLATION OF COST CONTROL AND GENERAL ACCOUNTING SYSTEM IN TURKEY

Later this summer Turkish Petroleum Corporation (TPAQ) will issue the terms of reference for installing a computer based cost control and general accounting system.

The ideal contractor will be a consortium of an experienced general accounting and consulting firm with a major financial software services company. The accounting firm must be based in Turkey but is likely to have international associates. The software company must be able and willing to give continued support in Turkey.

Firms with the requisite experience and resources who wish to be invited to submit a proposal when terms of reference are issued should send their qualifications in Turkish and English by June 30 to:

TURKISH PETROLEUM CORPORATION
PLANNING AND COORDINATION GROUP
Müdürlük Cad. No. 22 Beşiktaş-Ankara, TURKEY Phone: (90-41) 17 91 60
Telex: 42426, 42626, 42044 Telex: (90-41) 179160/567 Extension: 330 - 430

French steel job losses forecast

BY DAVID HOUSEGO IN PARIS

THE FRENCH Government has warned that a further 25,000 jobs will need to be shed in the French steel industry over the next five years if it is to become internationally competitive.

The warning has come from Mr Jean Gandois, the former chairman of Rhone-Poulenc, the chemical concern, who was commissioned by the Government to assess the problems of the French steel industry. Three years ago he was called in by the Belgian Government to put Cockerill-Sambre, the Belgian steel producer, back on its feet.

In his report to the French Government he has forecast further losses by the two state steel groups, Usinor and Sacilor, of FF 4bn (£372m) this year in the wake of a FF 6.5bn deficit in 1985. He says that they are unlikely to have eliminated losses by the end

Terrorist victims to be compensated

BY PAUL BETTS IN PARIS

THE FRENCH Government will compensate victims of past terrorist attacks or bombs who have suffered physical damage or injury as part of its new anti-terrorist and law and order legislation.

Victims of future terrorist attacks will also be insured against physical and material damages. Until now there was no such insurance coverage in France.

These proposals were included in an amendment tabled by the Government in the law and order legislation currently passing through the National Assembly.

Mr Alain Chalonand, the Justice Minister, announced the proposals during the debate on the bill late on Tuesday night. The amendment tabled by Mr Jacques Chirac, the Prime Minister, was approved by the Socialists whose opposition to the Government's bill

French shipyard workers' threat of closures

French shipyard workers ripped up railway lines, blocked traffic and occupied tower blocks in southern France yesterday in protest at government cuts in subsidies to the industry. Reuters reports from Marseilles.

The action followed an announcement on Tuesday by one of France's two main shipbuilders, Chantiers du Nord et de la Méditerranée (Normed), that it could no longer meet its payments. This could spell the end for Normed's yards at Dunkirk, La Cote and La Seyne and the loss of some 7,000 jobs.

test in the French shipyards at the threat of closures in the wake of the decision by Normed, one of France's two main shipbuilders, to file for bankruptcy. Workers at La Cote on the Mediterranean tore up rail track and occupied a pay toll on the motorway, while in Dunkerque they protested before the local prefecture.

Mr Gandois's gloomy picture of the competitiveness of the French steel industry was reinforced by a report from the state auditing organisation, the Cour des Comptes, published yesterday.

It said that the outstanding FF 25bn debt of the two groups had imposed financing charges "incompatible with any serious hope of getting accounts being brought back into equilibrium." It also criticised former governments for costly investments that showed little chance of providing an economic return.

Support sought for manned space shuttle

By David Marsh in Paris

FRANCE IS hoping for European backing this week for its project to build Hermes, a manned space shuttle for the 1990s, in spite of a renewed cooling of West German interest in the scheme.

A three-day meeting of the decision-making council of the 11-nation European Space Agency (ESA), which started yesterday, will discuss giving preliminary backing to the Hermes plan, with a decision expected to be made either today or tomorrow.

Britain will also be delivering a presentation at the meeting of its own advanced space-going aircraft project, Hotol, capable of travelling into space from a runway like a normal aircraft.

Hotol is only at the stage of feasibility studies. Hermes is already under early development by French aerospace companies, with CNES, the French national space agency, sticking to its belief that the first flight could take place by 1995-96.

Although the two projects are not in direct competition efforts by Britain to rally European support for Hotol in recent months have annoyed French officials, who fear the UK is trying to divert attention from Hermes.

France hopes that the ESA meeting will come up with the necessary two-thirds majority to register Hermes as a project of firm interest.

This would be a prelude to ESA giving Hermes full financial backing next summer.

Company Notices

FRIESCH-GRONINGSCHIE HYPOTHEEK BANK N.V.

U.S. \$20,000,000 Floating Rate Notes due 1987

In accordance with the provisions of the Notes, notice is hereby given that for the interest period from June 27, 1986 to September 29, 1986 the Notes will carry an interest rate of 7 7/8% per annum.

The interest payable on the relevant interest payment date, September 29, 1986 against coupon #18 will be U.S. \$97.10 per Note.

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MEETING

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Canadian Pacific Hotels Hamburg - Bremen - Frankfurt

Swedes examine radiation in food

SWEDEN launched a survey yesterday to measure radiation levels in food for sale in shops and markets, the national Radiation Protection Institute said, Reuters reports from Stockholm.

Scientists at the institute and with the National Food Administration will analyse samples of food bought in the major cities and areas of the country worst affected by fall-out after the Chernobyl nuclear disaster.

The aim of the survey, which will continue for several months, is to measure the average levels of radiation consumed by Swedes.

French Disneyland in trouble

BY OUR PARIS CORRESPONDENT

THE PROJECT for a European Disneyland in built east of Paris has run into trouble after strong opposition from local councilors.

Socialists, Communists and members of the extreme right-wing National Front linked up to deny Mr Michel Giraud, the president of the regional council for the Ile-de-France which covers the area around Paris, the authority to sign the definitive contract with Walt Disney Productions.

Mr Giraud, who belongs to the neo-Gaullist RPR party, said yesterday that he had had to chide the Walt Disney negotiators "by the sleeve" to prevent them taking the first aircraft back to the US after Tuesday's vote.

The issue is to be debated again by the council at the end of July.

Opposition has focused on a combination of doubts on the financing of the project, the employment implications for the region, and dislike of an "invasion" of American culture.

On the American "invasion" issue, the Communists and the National Front have both spoken strongly against sacrificing the region to "luxury tourism" and "American cultural imperialism."

French Disneyland in trouble

Although Mr Giraud has spoken of FF 450m (\$6.3bn) of long-term investments in the project, the initial investment by Walt Disney and their largely French associates would be FF 80m.

This would finance the creation of the "Enchanted Kingdom." The bulk of the jobs would come from hotels and office blocks expected to spring up around the amusement park.

Mr Giraud complained yesterday of having been abandoned by the Socialists. It was the Socialist Government of Mr Laurent Fabius who signed the initial protocol

FINANCIAL TIMES

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OVERSEAS NEWS

South Africa suspends news briefings

SOUTH AFRICA suspended daily press briefings today on political unrest and denied a visiting British politician the chance to meet jailed black nationalist leader Nelson Mandela...

Thai plant unlikely to be repaired after riot

PONG SARASIN, chairman of the Thailand Tantalum Industry Corporation, said yesterday that he did not expect his company to revive the Phuket island processing plant burned down by demonstrators on Monday...

Samuel Senoren in Manila reports on ceasefire negotiations Aquino treads a political tightrope

THE BANNED Communist Party of the Philippines and its military arm, the New People's Army, which have been fighting for power in the Philippines during the past 17 years, are due to start talks over a ceasefire with the Government of President Corason Aquino probably this week.



Communist rebel soldiers drifting in Zamboanga

THE US yesterday signed an agreement with the Philippines providing \$200m (£132.5m) in direct budgetary support for the financially-strapped Aquino Government...

trade and investment, was announced less than three months after Mrs Corason Aquino was installed after a military revolt and mass demonstrations against Mr Ferdinand Marcos.

Shultz and Lange to meet over Anzus pact

By Chris Sherwell in Manila MR GEORGE SHULTZ, the US Secretary of State, and Mr David Lange, New Zealand's Prime Minister, will meet in Manila tomorrow in an attempt to preserve the Anzus military alliance linking the US, Australia and New Zealand.

The meeting comes as legislation forbidding port calls by nuclear-armed or nuclear-powered ships winds its way through New Zealand's parliament. The US sees the legislation as a disturbing precedent. Enactment is expected to entail New Zealand's exclusion from Anzus.

Taiwan protest against factory

MORE than 600 marchers in Keelung, central Taiwan, protested yesterday against plans by Da Pong to build a \$160m (£106m) titanium dioxide plant in the area...

Australia steel output down

AUSTRALIA'S raw steel production during the first quarter declined by 6 per cent to 1.57m tonnes compared with the last three months of 1985...

Angola denies Unita meeting

THE Angolan Government yesterday issued "a categorical denial" of a report that Mr Afonso van Duzem, its Foreign Minister, last week met a representative of Unita, the guerrilla movement led by Dr Jonas Savimbi...

Tamil guerrillas kill 16

TAMIL guerrilla attacks killed 16 people in Sri Lanka yesterday as President Junias Jayewardene began discussing with political leaders a plan to end the island's bloody ethnic conflict...

Israeli security chief forced to resign

BY ANDREW WHITLEY IN TEL AVIV THE Shin Bet Affair yesterday claimed a notable scalp when Mr Avraham Shalom, head of Israel's powerful security service, resigned his post...

able time to consolidate. Rebel-held or influenced areas now account for about 18 per cent of the Philippines villages and from the Government viewpoint, a simple military withdrawal is unacceptable because it would simply deliver those areas to unhindered rebel control, making them in effect "liberated zones."



The very soul of France comes to the very heart of London Le Meridien Piccadilly. No one would deny that when it comes to style, good taste, refinement - in a word 'art de vivre' - the French have a knack of getting it right.

For any Managing Director struggling to keep his head above water, here's a lifeline. BRS - Britain's leading Contract Hire operator - has commissioned a report on vehicle financing by Ernst & Whinney, the specialist accountants.



AMERICAN NEWS

Ivo Dawnya and Ann Charters report on the mounting violence and political polarisation over land reform in a debt-ridden state

Brazilian President faces wrath of the landless

INDIGNANT landowners, vigilantes and hired guns, vie with tens of thousands of ragged families backed by militant priests. As the violence escalates, marooned in the middle is a government paralysed by a lack of resources.

The Brazilian land reform crisis has created a latter-day version of Steinbeck's *Grapes of Wrath*, with huge migrations of landless peasants, squalid pitched battles on remote country roadsides, and sudden, pointless deaths. Perhaps, the only major difference between the great trek from the US's southern dustbowl in the 1930s, and the fate of the Brazilian rural poor today, is that the "Okies" at least had somewhere to go. No California awaits the estimated 7m to 11m Brazilian families in search of land.

Agrarian reform, which like its intended beneficiaries has for long been the political poor relation of the industrial and commercial issues that dominate Brazil, is now on top of the political agenda. Blood has been shed before it got there.

The Catholic church put last year's death toll at 222, with a

further 55 until the end of May. Though such a highly partisan source may merit suspicion, no one disputes that the perennial problem of rural violence has increased dramatically.

In just six weeks a priest has been gunned down, a cabinet minister has resigned, President Jose Sarney has decided to visit the Pope in Rome and a militant landowners' organisation, already 5,000-strong, has emerged—all over the land question.

This week, the Government announced the compulsory appropriation of some 600,000 acres of farmland to resettle 7,600 families in a dozen states. Including these families, this brings the number resettled to just over 10,000 since the Government took office, compared with a target of 150,000 resettlements by the end of this year.

About 90 similar appropriations would be needed if all the families seeking land were to be resettled by the year 2000.

Nobody knows how it can be done or how it is to be financed. The land problem stems from the pattern of settlement and ownership established in Brazil's colonial past. Mr Tancredo Neves, the late President-elect

The rural working classes, often aided by their only champions, the country priests, have quickly retaliated by mounting often violent occupations. In the meantime, the proposed rural revolution that Mr Neves advocated has failed to emerge.

Reformers argue that this demonstrates the Government's lack of inclination to tackle the issue. Last month's resignation of Mr Nelson Ribeiro, a radical Land Reform Minister closely identified with the Progressive Church, is cited as evidence that more conservative forces in the Cabinet have won the President's ear.

Certainly, Mr Ribeiro's departure was tantamount to a dismissal. But more liberal members of the Cabinet argue that his promised land distribution gave everything to the

landless, without accounting at all for the rights of the current owners.

The Government appears to be split on the issue, with everyone recognising that something must be done. Political realities dictate however that a careful course must be charted, since the Congress is dominated by land interests.

The political geography of Brazil, whose population was 60 per cent rural to 40 per cent urban when land reform was first seriously mooted in the early 1960s, is now 60-40 the other way, and the urban constituency is growing increasingly unnerved by rural revolt.

"If the dispossessed can have our farms, how long will it be before they demand your factory or your flat," the landowners argue.

Opinions about the Government's commitment to change appear to be altering. Only a fortnight ago, many believed that President Sarney's Administration would pay only lip-

service to the land problem, but recent decisions have suggested otherwise.

First, the President appointed as Land Reform Minister Mr Dante de Oliveira, a 34-year-old progressive. He is however unpopular.

"If the dispossessed can have our farms, how long will it be before they demand our factories or our flats?" the landowners argue.

Popular with the church, which should give him some legitimacy with the increasingly anti-clerical conservative establishment. Second, and perhaps more significantly, the President this week installed a second liberal in the key agency responsible for implementing the reform.

None of this, however, resolves the financial constraints on action. An estimated Cru-

sado 70,000 (£3,300) is thought to be the minimum needed to settle a family after the land has been purchased. Mr de Oliveira estimates he needs Crusado 12bn to meet this year's targets but Mr Dilson Fumero, the Finance Minister, has warned that the resources available are barely more than a tenth of that.

President Sarney's increasingly personal identification with the land issue, reinforced by his call for peace last week in the northern trouble spot of Imperatriz, is significant. His imminent visit to the Vatican, is widely assumed to involve a direct appeal to the Pope for restraint from the clergy.

Sceptics believe it is merely window dressing before the November Congressional and state elections. But a more charitable theory has it that the President believes he can match the Pope's support for his anti-inflation Cruzado plan behind a real reform.



Sarney visit to the Vatican. What he desperately needs is money, goodwill and a breathing space. Right now, with the countryside increasingly resembling an armed camp, he is badly short of all these requirements.

Congress aims to finalise tax reform bill in September

CONGRESSIONAL leaders expect to start work on the details of a compromise tax reform bill by the middle of next month and are hoping that the historic tax package could be ready for signature by President Ronald Reagan at the beginning of September.

The predictions from, among others, Senate majority leader Mr Robert Dole in a television interview, came in the wake of overwhelming approval of the most far-reaching tax reform proposal in the post-war period on Tuesday.

The vote, a 97-3 endorsement

of the legislation which President Ronald Reagan put at the top of his list of domestic political priorities, clears the way for a conference committee of the House and the Senate to begin ironing out the differences between the two versions of tax reform approved by the House and the Senate.

Both bills cut significantly top marginal tax rates for corporations and individuals — in the Senate Bill the top rate is brought down from 50 per cent to 27 per cent — and reduce from 14 to either two (the Senate) or four (the House) the

number of tax brackets for individuals.

Both bills reduce the top corporate tax rates but, by eliminating other corporate tax breaks, add an anticipated \$100bn (£66.6bn) (Senate bill) to \$140bn (House bill) to company taxes over five years.

Both bills also remove from the tax rolls billions of the poorest Americans.

With the congressional mid-term elections approaching, President Reagan and Republican and Democratic leaders will be seeking to claim what credit

they can for passing the tax bill.

Mr Dan Rostenkowski, the Democratic chairman of the House Ways and Means Committee which drafted the House version of the bill, has been quick to claim that the Senate bill is harder on individuals and does not give such a generous break to middle income Americans as the House version.

The House bill is tougher on corporate taxes and administration officials such as Mr James Baker, Treasury Secretary, are saying that they do

Direct foreign investment slows in US

Foreign direct investment in the US grew 10 per cent in 1985, to \$18.3bn (£12.2bn), to \$18.3bn, compared with a 20 per cent increase in 1984, the Commerce Department said, Reuters reports from Washington.

US direct investment abroad grew 10 per cent, to \$18.7bn (£12.2bn), this followed a four-year period of limited growth in the wake of the 1981 worldwide recession.

The smaller increase in foreign direct investment partly reflected the decline in US interest rates and slower US economic growth, the department said.

There were \$17.5bn in capital outflows, a net positive investment adjustment of \$980m.

The increase in US direct investment abroad was offset by the depreciation of the dollar and a shift to intercompany debt with Netherlands Antilles finance affiliates.

Capital outflows were \$18.5bn and a net positive investment adjustment added \$960m.

Garcia admits troops killed 40 as prison riots ended

PRESIDENT ALAN GARCIA said yesterday Peruvian troops may have shot dead up to 40 jailed Maoist guerrillas after they surrendered in prison riots last week, Reuters reports from Lima.

He ordered the arrest of those responsible but said in a television speech, in reference to the military action to crush riots at three prisons that his Government had to prevent excesses.

Initial investigations imply that in the prisons of Lurigancho an unidentified number of prisoners, maybe 30 or 40, were shot dead by members of the Republican Guard once they had surrendered and were outside the cell block, Mr Garcia said.

"I have ordered, because of this, the imprisonment and trial of the chiefs, officials and personnel of the Republican Guard who, after the surrender, went on brutally to annihilate the survivors," he added.

The military has said 124 alleged members of the Maoist Sendero Luminoso (Shining Path) guerrilla group were killed in the battle.

Officials estimates said up to 300 guerrilla inmates died in

A bomb exploded yesterday in a train carrying tourists in Cuzco, Peru, killing at least seven people and injuring 35, Reuters said. AP reports.

Among the dead were Brazilians, Argentines and two Peruvians, Ms Emma Zamalios, a secretary of a station manager. She said the explosion occurred as the train was standing at Cuzco Station. It had been scheduled to depart from the Lima route of Machu Picchu, 70 miles away. It was apparently caused by a time bomb that went off in the second-to-last car of the train.

The fighting for control of Lurigancho and the island prison of El Fronton. Western diplomats said they had heard estimated death tolls of up to 1,000.

Opposition sources said all Sendero guerrillas in Lurigancho perished.

Mr Garcia ordered a military inquiry into possible excesses at Lurigancho after heavy pressure from the Socialist International, a world grouping of socialist and social democratic parties meeting in Lima at the time of the rebellions.

Moscow 'wants arms talks progress' before summit

MR MIKHAIL GORBACHEV, the Soviet Leader, has reportedly told the US that he will examine the progress of arms control talks in Geneva in September as a factor in his decision on whether to proceed to a summit meeting with President Ronald Reagan later this year.

According to a New York Times report this morning on

the letter from Mr Gorbachev which Mr Yuri Dubinin, the new Soviet ambassador to Washington, gave President Reagan on Monday, Moscow is not trying to establish progress in arms control talks as a precondition for a summit. But the newspaper says the Soviet Union is sticking firmly to the Soviet position that concrete achievements on arms control

need to be in sight for a summit to make sense.

The US view of the Soviet position is that Mr Gorbachev is seeking to maintain uncertainty about a summit in order to extract a US response to the latest Soviet offer.

President Reagan made clear last week, in a speech in Glassboro, New Jersey, that the US considers the latest Soviet offer

to be a serious one which forms a basis for future negotiations. The President's cautious remarks were seen as designed to improve the prospects for a summit meeting.

Mr Reagan has also, notably in an interview this week with the Los Angeles Times, avoided describing the unratified Salt 2 strategic arms limitation agreement as "dead," even though some Administration officials have maintained that the agreement on May 27 that the US would not necessarily be bound by the Salt 2 provisions had in effect killed the agreement.

That announcement stirred up criticism of the White House on Capitol Hill and also among the European allies.

Israeli construction groups fight for contract

THE recession-hit Israeli construction industry is campaigning hard to reverse the expected award to US contractors of a major share of work on a \$200m (240m) infrastructure project and relay systems, to be built for the Voice of America (VOA) in the Negev Desert.

The US Government earlier this month rejected Israeli demands that the \$250-million project be built entirely by local companies. This move upset an industry which claims it had been promised more than a hundred million dollars worth of work on building the broadcasting station by Mr Simhon Peres, the Prime Minister.

Considerable basic infrastructure work will be required on and around the site located in the sparsely populated, underdeveloped Arava Valley. The Israeli construction industry, which has not shared in the general economic recovery of the past nine months, had assumed this would be its prerogative.

Mr Avi Aarons, chairman of the United Building Industry Board (UBIB), the construction industry federation, admits that local contractors fear that it is a repetition of their experience of a few years ago, over the rebuilding in the Negev of two air bases which were dismantled in the Sinai when the peninsula was returned to Egypt. US companies received the contract.

Mr Amnon Neuhach, the Prime Minister's economic adviser, says an open competition will be held in which Israeli and US companies will be equally eligible to tender for the construction work, estimated at about a third of the value of the project, or between \$65m and \$150m.

The local industry was also told that, provided it demonstrated its capability, it could even win main contracts on the VOA project.

The remainder of the budget is allocated to equipment purchases, most of which are expected to be imported. But the UBIB is still not satisfied.

Last week, the Knesset, Israel's parliament, approved the allocation of new Israeli shekels 3m (£1.3m) for the capital of a new Israeli company being established to act as an agent for the communication ministry in its dealings on the transmitter with US Government agencies.

World Trade News

Israeli construction groups fight for contract

BY ANDREW WHITNEY IN TEL AVIV

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S. Korea and US aim to resolve trading problems

BY STEVEN BUTLER IN SEOUL

SOUTH KOREA and the US have completed two days of annual economic consultations in Seoul with an agreement to seek an early resolution of negotiations over two US trade cases against Korea in the fields of insurance and the protection of intellectual property.

The talks, held at vice-minister level, covered the likely of trade problems between Korea and the US but apparently produced no breakthroughs on outstanding issues.

A solution to the intellectual property issue has been expected for many months but has been held up, among other reasons, by US demands that copyright protection for authors be supplied retroactively.

The Korean Government has been subject to a strong lobbying campaign by domestic publishers who say they will be hurt by the proposed changes in copyright laws.

Korean negotiators apparently wanted their US counterparts that clarify US policies on trade issues could further influence the domestic political situation in Korea, where the US has increasingly become a target of attack by radical students.

Korea has been concerned about moves in the US to remove Korea from eligibility for benefits under the General Scheme of Preferences (GSP), and the US told Korea that these benefits would be linked to further Korean efforts to reduce barriers to imports.

The two sides stuck to conflicting positions on textile trade, where the US is demanding that Korea freeze exports for three years at current levels, and in aviation, where Korea is demanding landing rights for Korean Air at Chicago's O'Hare airport.

Aviation rights are shaping up as a contentious bilateral issue, with charges that Korea is applying discriminatory treatment against foreign carriers in Korea.

The US also requested that Korea increase imports of US coal and examine the possibility of importing liquefied natural gas from the US.

A joint venture between Hewlett-Packard and two Chinese state agencies has won a \$10m contract to supply China with business mini-computers, the US company said, Reuters reports from Hong Kong.

It said China's Hewlett-Packard would supply the Ministry of Foreign Economic Relations and Trade with 60 EP-3000 mini-computers. Hewlett-Packard has 50 per cent of the venture.

CHARTER

Charter Consolidated PLC.

SHARP IMPROVEMENT IN PROFITS

Preliminary Results for the Year ended 31 March, 1986

Highlights

- Profit before tax: £28.7 million — up 74%
- Profit Attributable to Charter: up £9.2 million to £19.8 million
- Earnings: 18.8p per share — up 88%
- Net worth: 385 million (366p per share) — up 11%

Summary of Results

Profits showed a sharp improvement in the year to 31 March, 1986. Revenue increased and interest charges were much lower. Profit before tax, up 74 per cent, rose £12.2 million to £28.7 million. After taxation at a lower effective rate, profit after tax more than doubled to £19.8 million from last year's £9 million and earnings per share were 18.8p compared with 10p.

An increased dividend of 7.75p per share is recommended to give a total dividend of 11.5p.

The better profits of Charter reflect continued progress in reshaping the Group, reducing the level of borrowing and seeking higher returns on capital. Progress has been made in all three areas during the past year and although more needs to be done (and is in hand) in civil engineering, the advances made by the operating companies in the manufacturing sector, where the bulk of operating capital is now invested, are encouraging.

The Company

Charter Consolidated is the parent company of a British group engaged in manufacturing, construction mining, and finance and investment.

Charter's business has been extensively reshaped in recent years and much of the capital employed is now in operating companies.

The manufacturing companies produce mining equipment, railway track components, fire protection and other building materials. The construction industry companies are engaged in civil engineering, construction and insulation services. The mining companies produce coal and tungsten.

Besides the operating companies the Group has interests in the marketing, refining, and fabrication of precious metals, the manufacture of automotive and industrial catalysts, in natural resources and in financial services.

Copies of the preliminary statement can be obtained from the Company's registered office at 40 Holborn Viaduct, London EC1P 1AL. The Annual Report will be posted to shareholders on or about 10th July 1986.

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Japanese to help boost exports output in India

BY K. K. SHARMA IN NEW DELHI

JAPAN HAS agreed to help set up factories in India which would make precision machinery for the Japanese market. Talks held between Indian and Japanese officials in Tokyo last week led to identification of about 30 areas of engineering, chemicals and processed foods, including bicycle accessories, machine tools, hand tools and construction hardware.

The aim is to help increase India's manufactured exports to Japan. At present, more than 80 per cent of India's exports to Japan consist of raw materials and primary products.

The talks also resulted in the immediate prospect of Japanese companies starting joint ventures with Indian partners for export of electronic equipment and software. This is part of an attempt to increase India's export of value-added products.

Improved access to the Japanese market for exports such as marine products, tea, jute and leather footwear and suggestions for improving Japan's generalised system of preferences scheme for some products has also been discussed.

The talks were started after India's increasing concern over the growing trade imbalance in favour of Japan in the past few years. Japanese companies have started manufacturing in India in collaboration with Indian partners and these ventures require considerable imports of capital equipment and of components.

The main Japanese success in India has been in the car industry where Indo-Japanese joint ventures now account for nearly 80 per cent of the total production of cars and light trucks.

Upturn forecast in profits at Lloyd's

By John Moore
LLOYD'S insurance market in London should show considerable improvement in its results when they are reported later this year, according to a study published yesterday. Profits for the market could be more than £100m, compared with £57m reported a year ago.

Official figures from Lloyd's are usually published in the autumn and the latest estimates are based on a survey of about a half of Lloyd's underwriting capacity. The figures have been prepared by Chastet, a company run by a group of Lloyd's underwriting members which analyses the market's results.

The survey shows the estimated results for the 1983 underwriting year. Lloyd's uses an unusual accounting method, leaving its accounts open for three years to assess more accurately the extent of insurance liabilities on its insurance policies.

In the 1983 underwriting, Lloyd's suffered its worst underlying underwriting loss, in money terms, since the mid-1960s when Hurricane Betsy led to an extensive property damage claims against insurers.

Underwriting losses of £188.93m were reported last year. Lloyd's was able to report a profit because it earned substantial revenues from investment income on the insurance premiums it received.

Lloyd's own published figures could be higher than those estimated in the survey. Lloyd's shows its own figures without deduction for amounts taken in commissions by the agents who look after the members' affairs, while those of the survey make that adjustment.

However, Lloyd's final results are likely to be distorted by the controversial PCW affair, where 1,525 underwriting members are facing up to £250m of insurance losses. Last year there were provisions of £73.2m against profits for the losses of the members caught up in the PCW affair.

Water authorities' debts likely to be written off

BY RICHARD EVANS

A SUBSTANTIAL write-off of water authority debts before privatisation was foreshadowed yesterday by the senior civil servant responsible for the flotation.

Mr John Gunn, head of the Environment Department's water directorate, said it was the Government's intention to ensure that the 10 regional water authorities in England and Wales would be "vessels that can float and will not sink."

It was, therefore, essential that they were all capable of making profits, he said, and this meant getting the right pricing formula as well as a probable capital restructuring.

The floating of some or all of the regional water authorities before the next general election promises to be the most complex and contentious of all the Government's privatisation proposals.

Some, like Thames Water, are likely to attract investment interest

because of their profitability and lack of debts, but others, including North West, Yorkshire and Northumbria, will need a substantial capital restructuring before they stand a chance of a successful flotation.

It has been widely assumed that capital restructuring would be necessary before the drafting of flotation prospectuses, but this has never been confirmed. No details will be available for some weeks as discussions continue between the Environment Department, the Water Authorities Association, the individual authorities, and their merchant bank and other advisers.

A Bill authorising the flotation will be published at the start of the next parliamentary session in November and should become law by next July. It will turn the water authorities into public limited companies initially owned by the Government prior to flotation.

It is still uncertain whether the authorities will be sold off separately from the autumn of 1987, as the Government originally intended, or whether a formula can be found for the floating of all 10 at once, or in batches.

Many of the authorities favour a multiple flotation to avoid the problem of having only the more attractive sold off, leaving the less desirable half in and half out of the public sector when the next general election takes place.

Advisers to the Government and to the authorities admit that the practical difficulties of a multiple flotation are immense. All 10 authorities should fetch between £5bn and £7bn.

Mr Gunn, addressing a seminar in London, said that the writing off of debt was "a distinct possibility." It was an important issue because many of the authorities had substantial debts.

Crowther takes over Sunbeam and Gelfer

JOHN CROWTHER Group yesterday underscored its reputation as Britain's most rapidly-expanding textile company with the announcement of two agreed takeover bids for clothing companies, Martin Dickson writes. One, worth £20m, is for A&J Gelfer, a hosiery, hats and tie group, and the other, totalling £12.8m (£11.5m) is for Sunbeam Hosiery, the Irish clothing and yarn business.

These two separate deals will bring to five the number of quoted companies acquired by Crowther, which is based in Yorkshire, since it set out on the acquisition trail last October with purchase of Carpets International, one of the UK's leading carpet manufacturers, and Weavercraft Industries, a private company.

It has bought three other companies in small private deals and said yesterday that it was negotiating two more - both for clothing manufacturers - which could cost up to £2m. If the latest acquisitions go through, Crowther's turnover will have grown in one year from around £180m to some £250m.

Mr Trevor Barker, Crowther's chairman since 1981 and the architect of its rapid expansion, said yesterday that the purchase of Sunbeam and Gelfer would round out his plan to build up the business in three equal areas - clothing and hosiery, carpets and distribution.

Sunbeam, which had pre-tax profits of £1.34m in 1985 on turnover of £12.2m, will bring Crowther substantially greater knitting capacity and an entry into clothing export markets in the US and Europe. The offer is 10 new Crowther shares for 13 Sunbeam ordinary, with an £1.30 cash alternative.

Crowther shares closed last night at 159p, down 5p and Sunbeam were unchanged at 120p.

HEARINGS started in the House of Lords on the legal dispute over the ownership of the Trustee Savings Bank. The dispute has delayed flotation of the banking group which was scheduled for last February.

A BY-ELECTION at Newcastle-under-Lyme, Staffordshire, will be held on July 17. The vacancy is caused by the resignation of the Labour MP, Mr John Golding, who has become general secretary of the National Communications Union.

INDIVIDUAL shareholders in the adult population have more than doubled over the last two years to around 18 per cent, according to a survey of 2,000 people conducted by the British Market Research Bureau.

VOLVO of Sweden is to move the headquarters and administrative staff of its UK truck and bus subsidiary from Irvine on the west coast of Scotland to a £1m building at Warwick in the Midlands. All production operations will remain at Irvine.

Trust seeks domicile overseas

By Charles Batchelor

DAILY MAIL and General Trust, the company through which Lord Rothermere owns a large stake in Associated Newspapers, publishers of the Daily Mail and Mail on Sunday, is to seek a European Court ruling to allow it to move its residence to the Netherlands.

The Trust revealed yesterday that it had been trying without success for two years to obtain Treasury approval for it to go offshore, a move which would reduce its capital gains tax bill and give it greater freedom to make investments.

It faces the problem that its 49.95 per cent stake in Associated Newspapers means it is not regarded by the Inland Revenue as an approved investment trust so it has to pay capital gains tax when it makes a profit on the sale of assets.

If the Trust wins its case it could free the way for other British companies to move easily offshore through the number of companies in exactly the same position as the Trust is quite small.

Since its portfolio of investments, including its stake in Associated Newspapers, is valued at only £10m, compared with the present market value of £71m, any sales would lead to a large book profit and a large tax bill. The book value of Associated, which the Trust regards as a permanent investment, is only £190m.

The Trust would still face Dutch taxes but it would be able to revalue its assets at current market worth. This would reduce the book profit on any sales and hence liability to tax.

British Steel makes profit of over £40m

BY HELEN HAGUE

THE BRITISH Steel Corporation's profit recovery was stronger than expected in the second half of last year, thanks to favourable exchange rates and lower oil prices, Mr Bob Scholey, the chairman, said yesterday at the annual conference of the Iron and Steel Trades Confederation (ISTC).

Mr Scholey said the pre-tax profit for the year to March 31 1986, which is to be announced in a few days' time, was more than £40m. In 1984-85, BSC's £404m pre-tax loss was inflated by exceptional costs associated with the merger of the state-owned corporation returned to profit in the first half of this year for the first time since 1974, recording pre-tax profits of £21m. However, the chairman at the time, Sir Robert Haslam, said there would be a "short-term pause" in BSC's recovery during the second half of the year because of the

strength of sterling against the D-Mark and disruptions caused by refurbishment programmes.

Mr Scholey's remarks yesterday indicate that profits continued to improve in the second half. He acknowledged the "effort and sacrifices" that steel workers had made, but said that BSC's profit "was not that great for the size of the assets we employ."

An annual profit of at least £200m was necessary to finance the level of reinvestment needed to remain competitive with the leading European steel producers, he said. BSC's investment focus was on finishing rather than on steel making.

Delegates from BSC's Ravenscroft plant in Scotland urged Mr Scholey to step up investment there in the immediate future. But he gave no pledges beyond the £15m spending plan already announced.

GEC 'close to Nimrod radar solution'

BY DAVID BUCHAN

GEC AVIONICS yesterday claimed that it was close to solving the radar problems plaguing the Nimrod airborne early warning (AEW) project that has so far cost £900m. It said that it permitted by the Government to continue the work, it could put three improved Nimrod aircraft into RAF service by the end of 1987.

GEC is competing against rival systems offered by three US manufacturers for the right to complete the work on the troubled Nimrod

AEW it began nearly 10 years ago. The Ministry of Defence has given GEC Avionics until early September to demonstrate improvements, while it examines other bids from Boeing, Lockheed and Grumman.

Mr George Younger, Defence Secretary, dispelled any euphoria among British defence contractors about this week's award to the UK of two Star Wars contracts by saying that necessarily slow progress in the controversial programme could depress public support for it.

Stags mass in hunt for Thames TV shares

BY ALICE RAWSTHORN

IT HAS been an education standing here, an education in human greed," said Mr Derek Moloy, a South London antiques dealer who travelled to the City of London yesterday to apply for shares in Thames Television.

"I was standing in the queue with one form in my hand and the guy in front of me had a pile of a hundred, just peeling them off, one after the other. These guys are professionals; the ordinary investor like me does not stand a chance against them. Next time I will apply by post."

A queue of stags and would-be investors began to form outside Barclays Bank on Farringdon Street at half past seven yesterday morning to hand in application forms for Thames shares. From eight o'clock until 10 o'clock a continuous stream of people gathered in the street, morning sunshine to file in and out of the bank.

"We knew it was going to be a big one, but not as big as this," said one of the doormen. "The last time we saw anything like this was for Lanttas." Most of the people milling outside the bank were bona fide private investors, many of whom had seen commercials for the flotation on Thames Television and had decided to buy shares for the first time. Mrs Trudi Sanderson, for example, had applied for shares for herself, her husband and daughter and had withdrawn £8,000 from her building society account - her usual savings vehicle - to do so.

Yet other would-be Thames investors were quite clearly stags, who were buying purely in the hope of making a short-term speculative gain. Some stags hunted in pairs, with one holding a bundle of application forms outside the bank, while the other walked in and out to hand in each form separately. Others were even more blatant, walking in and out of Barclays to hand over applications from the top of their pile.

"After the third or fourth time you begin to recognise the faces," said Mr Robert Dutton, a director of County Group, which acted as the merchant bank and, together with Cazenove, as brokers to the issue. "We placed experienced people on the door to see the forms were immediately sorted into two piles, genuine applications and multiples. At least half of the forms handed in this morning went straight into the multiples pile."

County now faces the task of weeding out the stags' forms from the bona fide applications. The forms were sorted at Barclays yesterday and the extent of over-subscription and basis of allocation will be announced today.

Although many of the stags were diehard professionals, they have been joined by a new breed - the occasional stags. The new breed tends not to resort to multiple applications but does try to spot issues that will be oversubscribed and applies for shares with the clear intention of selling as soon as the share price rises to a premium.

Mr Crispin Buxton works in the music business, and has indulged in speculating on a small scale since the Cable & Wireless flotation four years ago. "I staged Laura Ashley, Britoil and British Telecom. I tried to stage Guthrie but it was not oversubscribed. If Thames's share price shoots up I will sell half my shares and hold on to the rest," he said.

BT could face tougher control of domestic telephone charges

BY JASON CRISP

BRITISH TELECOM (BT) may face tougher regulation of its domestic telephone charges. The Office of Telecommunications (OfTel), the regulatory body, may apply to the Monopolies and Mergers Commission for a change in BT's licence this autumn.

Since it was privatised in November 1984, BT has been required to keep its average domestic price increases to 3 per cent price index (RPI). It is understood that OfTel now believes the RPI formula is too crude and not beneficial to BT in a growing market.

OfTel's annual report, published yesterday, says it has received a large number of complaints about BT's price increases last November, with many people expressing "outrage" at its high profits.

In the report, Professor Bryan Carberg, director general of OfTel, comments: "The existing price control rule expires in 1989 and a new rule will be needed to take its place at that time. However, I have powers to initiate a proposal to amend BT's licence at any time. I should seriously consider using those powers to introduce a new price control rule, if I found BT's rate of return on capital employed was significantly above the minimum acceptable level."

OfTel is thought to have two main concerns about the existing formula. One is that it is crude and does not take into account the fact that BT's cost of meeting extra demand is only about 20 per cent. One possible proposal will be for the RPI formula to take into account demand, which for inland calls is growing at about 7 per cent per annum.

Secondly, OfTel is debating whether BT's return on capital employed of 18 per cent is too high. OfTel's last investigation into BT's price increases concluded that its returns were a little high, but not enough to justify taking action to soon after privatisation.

BT's licence at any time. I should seriously consider using those powers to introduce a new price control rule, if I found BT's rate of return on capital employed was significantly above the minimum acceptable level."

OfTel remains firmly opposed to a regulated rate of return used in the US and wants a form of control which enables BT to keep profits achieved through improved efficiency.

An OfTel staff report examining in detail the issues of pricing and profitability of BT is expected to be completed next month. If it finds that BT is making an excessive return from its monopoly activities, Prof Carberg will seek a change in BT's licence.

Editorial comment, Page 12

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MANAGEMENT: Marketing and Advertising

"HELLO," said the cheery voice on the telephone, having established my name. "My name is Sally and I'm delighted to be the one to tell you that you have just won £4,000 worth of services..." All very nice, I'm sure, but this was neither the time nor the place for unrealistic guests.

Not only was it 7.45 pm, Saturday night, at home, a time when most conventional sellers have shut up shop, but while Sally was delighting herself, the rest of us were being delighted by France and Brazil who were showing how football should be played. Once the commercial intent of the call dawned on me, I made my excuses and left. To be fair, Sally did get off the line sharply, though not before making me promise to call her back the following Monday.

This instance of telephone marketing throws up some of the issues surrounding what is undoubtedly a flourishing business practice. Tele-marketing to homes and offices comes in a variety of hues and involves principally specialist agencies or a selling company's own in-house department. There is the outgoing call, like Sally's cold call, or "warmer" calls to existing customers. Additionally there are incoming calls when consumers respond to an ad on radio or television or in print.

The in-house department is a growing trend; most manufacturers of fast-moving consumer goods have these — IBM and Minis. Eye Walls are serious users.

And according to Pauline Marks, one of the industry's prime movers who opened her first UK operation seven years ago, "we're at the beginning of an enormous expansion." Whether it is selling diesel engines or FT diaries, leasing a statey home or fund-raising for charity (Sport Aid used the method), conveying government directives to remove withdrawn products from retailers' shelves, or consumers responding to ads, telemarketing is a medium on the make.

Figures for the UK industry are sketchy but according to a survey conducted by Ogilvy and Mather Direct, a direct marketing agency, they show the phenomenal growth of telemarketing operations (that is, excluding in-house telemarketing operations) it estimates that outgoing calls accounted for some £20.6m in 1985 and incoming calls for £5.6m. This compares with £19.7m in 1984 and £3.5m respectively.

In the US the practice is growing faster than direct mail at \$34bn against \$13.4bn for direct mail in 1984. There may be more of it about in the US and it may be a harder sell there but technicians generally are no more advanced, believes Robert

'Cold calls' seek a warmer welcome

Feona McEwan examines the growth of telephone marketing



"It's that computer selling double glazing again—tell it you've got a headache"

Leiderman, a New Yorker who has experience on both sides of the Atlantic. Leiderman is now manager director of the British Telecom Telephone Marketing Operation which he reckons is the largest in Europe and among the top 10 worldwide, with some 300 telephone operators ("no, we can't say our billings.") Europe is catching on fast with flourishing operations in the Netherlands, France, Scandinavia and West Germany (where it is tightly legislated).

Yet telemarketing still has an image problem, particularly with calls to people's homes. Though only a fraction of the total in BT's case, for instance, some 15 per cent of the business residential calling (even to ex-directory numbers) can and does upset people.

Last time the Office of Fair Trading investigated the practice in 1984, it found a minority of subscribers reported bad experiences. They complained of evasiveness, deception and unacceptable persistence. It is this hurr of bad practice, that the industry, ever sensitive to criticism of its methods, is keen to stamp out. A number of moves to set the house in order are currently under way, though, as Leiderman puts it, you will never stop anyone reaching for the phone book and making a call. BT seems a mite sensitive itself, insisting on tape recording and Leiderman/FT meeting.

Leiderman takes issue about criticisms. "When people think of telemarketing they think of their perceived concept of telephone marketing," he says, citing double glazing and insurance, two of the heaviest early users, as factors here. He quotes a case in the US when one Olin Mills, a company that processed baby portraits, found that 50 per cent of its customers objected to telephone marketing. Yet the company only did business on the telephone.

Simon Roncoroni, sales and marketing director of BT's telemarketing arm, notes that "you hear people saying they never buy through mail order, then you see Time-Life books or Reader's Digest books on their shelves. They have no objection to these because they perceive them as something they want." Pauline Marks, reports just 18 requests not to call again in her seven years' practice in the UK. "The British enjoy the telephone," she believes, "and we're well trained not to push."

The professionals agree there's no mileage in press-gangging a consumer into buying something he doesn't want, since it will just backfire. The idea is to sell things to people that they want. Targeting therefore is as relevant in this area as any other marketing medium in case of heart and soul. There are plans to implement a telephone "preference

up for staff." If the man says he doesn't read, thank him for his time and close the call. People can be divided broadly into yeses, nos and middle-ground, Leiderman believes. Where the phone works, he says, is to take the middles and move them into the yes department.

It's a knack that many of the major companies are fast learning, some of them developing their own in-house marketing operations (IBM, Mercantile Credit, Birds Eye Walls), though not all define their departments as such. BT's client list includes American Express, Thorn EMI, Mars, Rank Xerox and National Westminster Bank.

The industry is self-regulating with guidelines-cum code of practice laid down by the British Direct Marketing Association. Together with the OFT these are currently being tightened. The guidelines include no calls to be made at an unreasonable hour, in most cases no later than 9 pm (though shift workers would be an exceptional case); no unsolicited calls in a random or sequential way dialled manually or by computer; outlawing of "sugging" (selling that is disguised as research); care not to accept orders or appointments or invite any other action from a minor; where a meeting is arranged with the consumer, a contact point must be arranged in case of change of heart and so on. There are plans to implement a telephone "preference"

service (direct mail already has the equivalent) whereby consumers can register to have their names removed from the telephone marketing lists most used.

Where Sally would get black marks for her technique is her failure to identify instantly the company name representing the call and the purpose of the call—two cardinal telemarketing rules.

For many marketers, telephone marketing is still a last resort. Far better, say the professionals, to use it as part of the total marketing mix. Incoming calls are one example, where the consumer responds to an initial stimulus on television or in print. Financial services have been latching on to this concept increasingly in recent years.

Compared to the cost of travelling salesforces costing an estimated £27,000 per person per year, which Marks suggests may be an antiquated technology, computerised calling is now "initial contact by telephone can save pounds and hours. In theory it offers salesmen qualified leads, that is, interested parties to make their job more effective.

The telemarketing technique may be potent, but it opens up to failures too. Leiderman recalls the instance involving the selling of personal computer peripherals which drew a blank response. "Nine-year-olds don't have Amber cards." What had happened was that the parents had bought the PCs for their children, registering the children as the owners. Peripheral suppliers were therefore directing their efforts at the wrong target.

Uses of telemarketing are infinite. Pauline Marks lists some: to reactivate lapsed accounts; service low volume business; produce qualified sales leads; sell a product directly; find new prospects; and undertake a survey for £30,000. She has sold a crane for £20,000, organised home loans; contacted prospective shop owners in the new Brent Cross development.

Next it could be the publicising of a new regular practice in the US. Marks believes the next election will see it in UK. "The use of telephone computers that speak to you accounts; service low volume business; produce qualified sales leads; sell a product directly; find new prospects; and undertake a survey for £30,000. She has sold a crane for £20,000, organised home loans; contacted prospective shop owners in the new Brent Cross development.

When the day is not inconceivable when you pick up the phone and the voice says "This is a computer talking to you on behalf of XYZ..." ending its message with "Thank you so much for your time. To a computer we sound a really nice human."

* The Telemarketing Book, by Pauline Marks, Business Books, 136 pages, £15.95.

US cosmetics

Nose jobs for one and all

Frank Lipsius reports that surgical solutions are becoming an increasingly popular option in the beauty care industry

WHEN REPOSENSIF, a new line of skin-care products, was introduced at an elegant New York lunch for writers from Vogue, Harper's Bazaar, and other fashion magazines, the featured speaker was Dr. George J. Korkos, a Milwaukee plastic surgeon. Telling his audience that he had been "pondering beauty for 23 years," he discussed how plastic surgery in America has been integrated into the beauty-business and practically become an extension of the \$412bn cosmetics industry. What was clear was that cosmetic surgery was no longer a "luxury" item, but had become a heavily marketed option, like many products, for a mass market.

Armed with slides of "before" and "after" patients, Dr. Korkos highlighted the limits of cosmetics. Using liposuction, a vacuum cleaner device, he eliminated "the turkey gobbler's deformity" from the neck of a 70-year-old woman. A San Francisco woman came in wanting a nose that tipped up "in the middle, they like them straight," he concluded.

He built up slides to make faces of men and women look stronger, less like "chimpanzee wonders." The happiest patients are the ones who have large breasts made smaller, though plastic surgeons are equally adept at making small breasts larger with plastic implants.

Cosmetics could have made one of the dramatic changes his slides portrayed, but Korkos, it turns out, helped develop the Reponseif cosmetic line using special amino acids and proteins because "skincare products are the best way to go. It works if you do. The aesthetic of beauty is the skin, a yardstick for aging."

For increasing numbers of Americans, plastic surgery has lost the intimidating aura of an operation and becomes more like a trip to the beauty shop. Women go to their plastic surgeons with photos from magazines, asking doctors to make them look like the models they point out. Teenage girls get breast surgery for their end of senior year. "I'm not keen," says Leiderman.

When the day is not inconceivable when you pick up the phone and the voice says "This is a computer talking to you on behalf of XYZ..." ending its message with "Thank you so much for your time. To a computer we sound a really nice human."

* The Telemarketing Book, by Pauline Marks, Business Books, 136 pages, £15.95.

when women want fat removed so they look good in bathing costumes and to get ready for the winter social season.

Doctors provide an increasing number of effects traditionally left to cosmetics. They put tattoos along the rim of the eyelid to make a permanent eye-liner and give injections of Zyderm, Collagen, Implant, a calf-hide derivative that offers an alternative to skin cream for removing wrinkles. Men get hair transplants instead of toupees. More than 40 per cent of the procedures are being done on women less than 35 years old; 56 per cent are being performed on men.

Plastic surgeons are doing 75 per cent of their aesthetic work, including face lifts, nose jobs and breast implants, in their own offices as out-patient procedures. Dr. Steven Korman, a New York plastic surgeon, has face-lift patients wheeled from his office to a room in the Pierre Hotel for overnight recovery, but the procedure itself avoids the expense and stigma of being among the very ill in hospital. Since most plastic surgery is elective and not paid for by American medical insurance, doctors try to hold the expense as much as possible to just their own fees.

Procedures are not cheap. Dr. Herman charges \$275 to \$325 for a Zyderm Collagen injection in a series that could require four injections. Dr. Eli Milch, a New York plastic surgeon who advertises on television, charges \$3,000 for a facelift and \$2,000 for a nose job. In Milwaukee, Dr. Korkos charges about the same. He points out that while the cost of so many things has gone up, the price of plastic surgery has remained remarkably steady over the last ten to 15 years.

What has changed is the number of operations a surgeon will do. Dr. Korkos performs about 12 procedures a week, 25 to 30 per cent more than a few years ago. The American Society of Plastic and Reconstructive Surgeons, Inc. (ASPRS) surveyed its 2,400 members to find that plastic surgeons performed

1.8m operations in 1984, 477,700 of which were aesthetic operations, up 31 per cent from 363,500 in 1981. Dr. Milch sees less age categorisation with "more older women getting nose jobs and more younger women getting face lifts."

Perhaps most surprising of all, the operators are losing their Hollywood and jet-set image with more than 50 per cent being made on patients with modest incomes of less than \$25,000 a year. The change reflects a number of demographic factors like the ageing of the American population, the women in the workforce who can afford to do what they want without husband approval and the growing familiarity and acceptance of plastic surgery.

The ASPRS provides a nation-wide toll-free telephone number, slickly chosen for American telephones that retain letters as 800-332-FAIR, to give consumers the names of three plastic surgeons in their area. Dr. Korkos points out that the preferred term now is "aesthetic surgery," to make it sound less intimidating.

Some doctors have installed a \$25,000 computer imager that allows a doctor to redraw a face with a new nose, chin or other desired features to market their wares. Some doctors, like Drs. Milch and Korman, believe it is cheaper than psychiatry. "I liked the idea that I could cure people right away," comments Dr. Herman on his reason for specialising in cosmetic surgery.

The doctors can also expect to see patients again and again. In fact, Dr. Korman believes breast implants can become hard and lump-like and wrinkle cures do not stop aging in its growing popularity and effectiveness, plastic surgery is an extension of the cosmetic industry, though it belies the superficial assumption that "beauty is only skin deep."

TECHNOLOGY

Guy de Jonquieres on the rising use of electronics in Britain's factories

Microchips spread — but job losses increase

THE NUMBER of factories in Britain using microelectronics in their products or production processes has more than doubled since 1981 and now accounts for more than half the total, according to a survey by the Independent Policy Studies Institute.

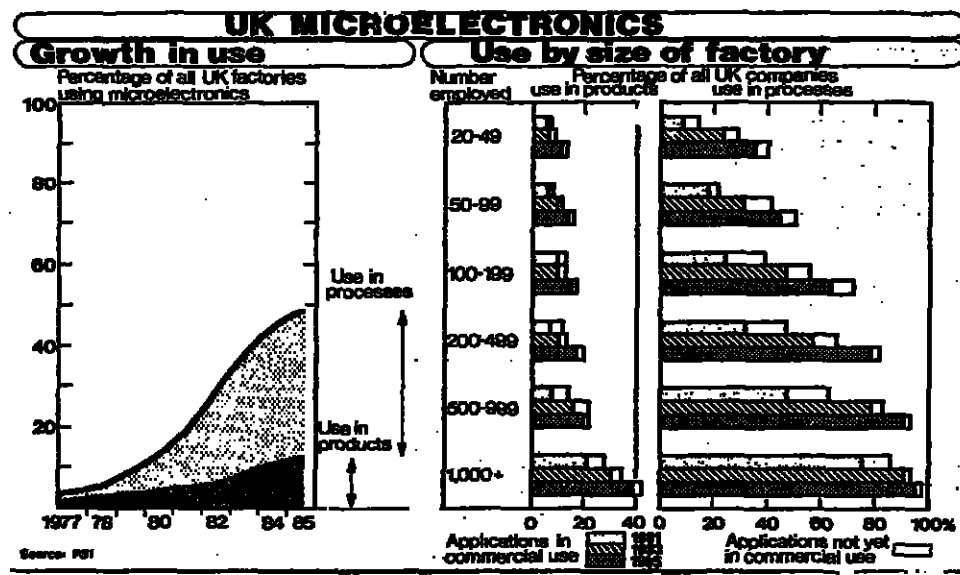
This trend has been accompanied by a sharp acceleration in job losses, particularly among male staff and unskilled shop-floor workers. The survey estimates that the introduction of microelectronics led to a net decrease of 87,000 jobs in manufacturing from 1983 to 1985, compared with 54,000 over the previous two years.

The decline since 1983 was much faster than industry had expected. Manufacturers say they expect the rate of job losses to slacken to around 27,000 over the next two years.

By contrast, many companies are still having trouble finding qualified staff to help them apply microelectronics. Lack of skilled experts emerges as the biggest obstacle to faster progress, being cited by 45 per cent of UK factories. A quarter of all factories using microelectronics do not employ specialists in the technology.

The survey's findings are based on a study carried out last year at a sample of 1,200 UK factories employing more than 20 people, which the Institute began monitoring in 1981.

Overall, the survey estimates that 53 per cent of all factories in the country are using microelectronics, compared with 29 per cent in 1983 and 21 per cent



in 1981. But the technology is much more common in processes than in products.

Forty-nine per cent of factories are using it in process applications, up from 37 per cent in 1983, while only 13 per cent are using it in products, up from 8 per cent two years earlier. Of total UK manufacturing output, 8 per cent is estimated to consist of products containing microelectronics and 24 per cent is produced using microelectronically controlled processes.

The most enthusiastic users of microelectronics are found to be big factories owned by non-British companies, and application is most com-

mon in engineering. Specifically, the survey says:

- Use of microelectronics is four times more common in production processes at factories with 1,000 or more employees than those employing less than 50 people. Job losses due to the application of microelectronics are also heaviest in large factories.
- Ninety-two per cent of UK factories belonging to overseas groups are microelectronically controlled, compared with 62 per cent of those owned by British

factories.

The survey notes that the application of microelectronics appears to have slowed in process but to have accelerated in products. It forecasts that by 1987, 11 per cent of total UK manufacturing output will be produced using microelectronics, up from 8 per cent in 1985.

Because of the high rate of production which already exists in larger factories, the survey says that further increases in applications must come mainly from smaller plants.

"Microelectronics in Industry: Promise and Performance," £29.95, Policy Studies Institute, 100 Park Village East, London NW1 2AN. Tel: 01-267 2174.

groups and 55 per cent of British independent companies.

The electrical engineering industry is not surprisingly the most prolific user of microelectronics in products, with 63 per cent of factories applying the technology in this way. It is also the single largest source of job losses.

Microelectronics usage in processes is fairly widely spread across industrial sectors, with figures ranging from 36 per cent in the food and drink industry to 96 per cent in food and drink.

Regionally, microelectronics usage in products is highest in East Anglia (21 per cent of factories) and lowest in the north (6 per cent). In production processes, it is highest in the north (80 per cent) and lowest in the west Midlands (38 per cent).

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£150m ICI gamble to find 'something big' in seeds business

IN THE early 1970s ICI, Britain's leading chemical company, examined the international seed business as a possible diversification for its extensive activities in agricultural chemicals and crop protection. It concluded that it had nothing to offer scientifically that might give it an edge commercially in a business anchored in the factory area.

A decade later, Dr Charles Reece, one of those who made the earlier study but by now ICI's research director, re-opened the issue. As a result, his board has approved a commitment to plant science of at least £150m "to come up with something big," says Dr Edward Dart, research director of the newly created International Seeds Business at ICI's Jealott's Hill Research Station in Surrey.

The ICI board was warned at the outset not only that the entry fee would be large but the time scale could be long by industrial research standards.

Looking for a prize as profitable as paraquat herbicide

Its scientists were talking not of a 5-10 year programme—long-term by normal private company standards—but of 15-20 years. The prize, however, would be something as profitable as paraquat, ICI's revolutionary herbicide. "There will be surprises," Ed Dart forecasts confidently.

Dr Dart is himself a key factor in the decision to plunge so heavily into a gamble which is also attracting such international names as British Petroleum, Elf, Monsanto, Shell and Unilever to the seed business. He was heading a large bio-science team at Rumour which since the early 1970s had been studying the emerging technology of genetic engineering and its long-term possibilities for ICI's activities in pharmaceuticals, food and agricultural products.

He had forged close academic links with such universities as Nottingham and the Royal Holloway College in the UK, and with the Government's Plant Breeding Institute in Cambridge. At all three he was funding research projects at the

frontiers of plant biotechnology. He was also a valued adviser in government circles, both for the promotion and the regulation of genetic engineering.

Above all, in Charles Reece he had a research director on the ICI board who was asking: "Tell me how you think we can use this science."

The answer was that in the short to medium-term — say, in the next decade — the new

bio-science should shorten the breeding programme for new crop strains, now about 12 years, by a factor of five. This should mean cheaper seeds, but in the longer term — 15 years or more — the bio-science should yield crops that are less susceptible to disease today, because the crucial genes simply will not transfer from plant to plant by the traditional plant breeding methods. These new strains may be crops that make their own fertiliser, fight-off predators, or open new vistas in flavour or texture.

He has already helped to shape the new British Government-backed research programme to develop a "genetic tool-kit" (described in this column last month).

This £3m pre-competitive research programme, involving 11 companies, focuses on four crops of particular interest in Europe: wheat, barley, peas and oil seed rape.

But the US market widens the opportunities with maize, soy, broodways and other vegetables. Part of Dart's £10m research budget will be spent with the Garst Seed Company, ICI's new US acquisition with \$100m sales, specialising in maize and cereals like sorghum and wheat.

As the company sees it, the biotechnology offers the earliest opportunities for plant biotechnology because farming practice is sufficiently well developed to ensure that the new opportunities work. Only later will they spread to developing countries, despite evident opportunities here for instilling in seed resistance to

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heat, drought, salt and indigestible pests.

With his general manager Richard Wood, a chemical engineer who helped plan the company, Dart is assembling an "plant science community" managed from the Jealott's Hill headquarters. At Rumour, for example, the biologists have been working with Nottingham University and the Plant Breeding Institute to try to isolate the enzymes that trigger ripening in tomatoes.

It is well known that the gas ethylene sets off a cascade of ripening effects in fruits of the tomato, these include reddening, sweetening and softening. If the "switch" which sets off this ripening process by releasing ethylene can only be isolated, it may have valuable commercial possibilities. Such "switches" are often common to many plants and, as Dart sees it, the tomato gives his researchers an excellent opportunity.

Search continues for right European acquisition target

tunity to practise their new skills in partnership with internationally respected academics. Similarly, his scientists are working with Dr Richard Dixon at the Royal Holloway College to find the enzymes which help combat attacks by pests and diseases in crops; the French bean being used as a model for research.

In the US ICI is looking at how Garst's plant science skills are already acquired at Rumour; for example in using gene probes designed to identify particular virus diseases, or to "finger print" new crop varieties in order to protect them more securely against patent infringement. The US has led the world in accepting the principles of proprietary property in plant genetics.

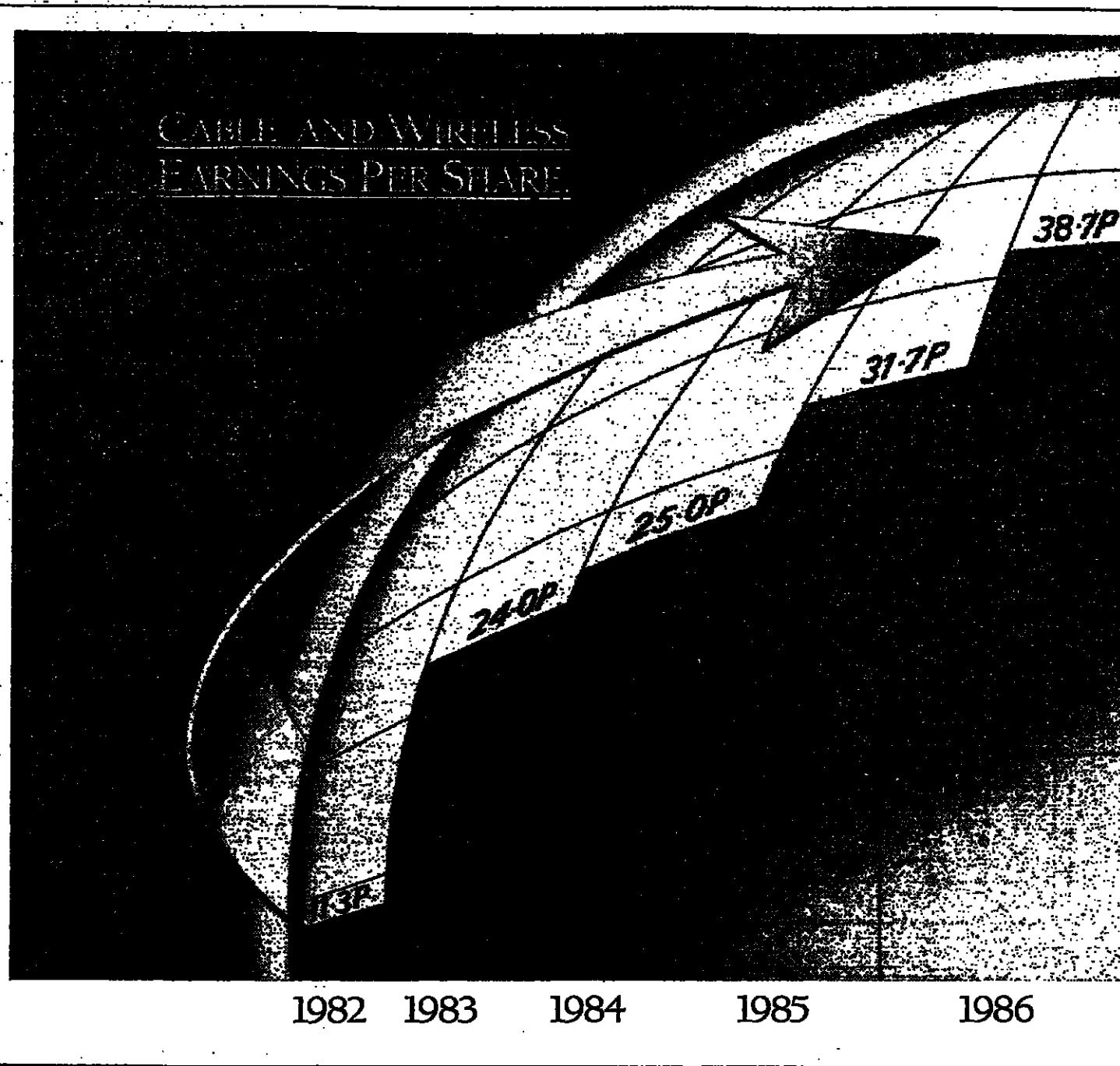
ICI is still seeking the acquisition of a major seeds business in Europe, having failed last year in a quest to purchase the Swedish seeds company, Cardo.

While it continues its search it believes that its technological base will have a significant role in its ambitious plans for managing the science of seeds.

"The past year—the fifth since privatisation—has been a period of achievement and progress. Pre-tax profit has increased by 20 per cent from £245 million to £295 million; and earnings per share have increased by 22 per cent from 31.7 pence per share to 38.7 pence per share.

The establishment of a competitive, secure, global digital highway linking the major economic and financial centres of the world—our corporate objective—is progressing well. The global network being developed will meet the increasingly sophisticated telecommunications needs of multinational corporations as well as the continuing demands of developing economies.

Our strategic development plans in the Far East and the Pacific have moved forward significantly. We have responded positively to the invitation to form a partnership with C. Itoh, a leading Japanese trading corporation, in a feasibility study for an alternative international telecommunications company in Japan. Support will be given by NTT (I) the international subsidiary of the Nippon Telephone and Telegraph Company which is the dominant operator of telecommunications in Japan.



In December, 1985, Her Majesty's Treasury successfully sold its remaining shareholding in the Company. At the same time the Company took the opportunity of issuing some 56 million additional shares. I welcome almost 175,000 new shareholders as a result of this share offer—which was the second largest equity offering in the world.

Cable and Wireless achieved another goal by being the first British company to be listed on the Tokyo Stock Exchange on 2 April, 1986. This will contribute to the greater awareness of the Group in the Far East and will also contribute to planned future extensions of our activities in the vibrant economies of the Pacific Basin.

Your directors continue to pursue vigorously other interesting and worthwhile opportunities which can only be disclosed as they reach fruition. I am confident that the achievements of the future will not disappoint our new shareholders.

On 31 March, 1986, Douglas Buck retired from the Court of Directors. We wish him and his wife a long and happy retirement. I express our gratitude for his contribution to the Company after 44 years of dedicated and

"CONTINUED PROFIT GROWTH THROUGH GLOBAL INVESTMENT."

PRELIMINARY RESULTS

£m	1986	1985
Turnover	907	862
Profit before taxation	295	245
Attributable profit	180	144
Earnings per share	38.7p	31.7p
Dividend per share	9.5p	7.8p

The Directors propose a capitalisation issue to shareholders on the basis of one new Ordinary Share for every one held.

By 1990 our new joint venture with Pacific Telecom of the United States and this new Japanese company expects to be operating a trans-Pacific fibre optic cable (PPAC). This, with an extended fibre optic network across the United States and our trans-Atlantic fibre optic cable (PTAT), will enable the Group to handle telecommunications traffic securely, rapidly and economically between the major business and finance centres of the world.

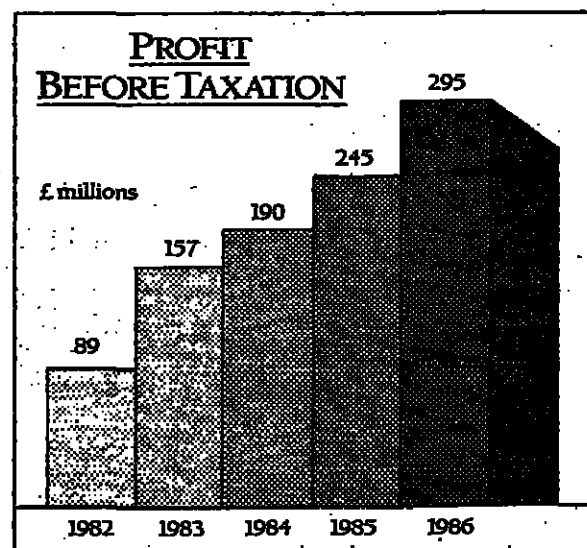
I welcome the interest of Nynex in becoming an equal and active partner with Cable and Wireless in the trans-Atlantic cable, Nynex, one of the largest Bell Operating Companies, operates the domestic telecommunications services in the north-eastern area of the United States from New York City to the border with Canada. Such a partnership will provide the basis for a digital linkage between the United States and the digital network of Mercury in the United Kingdom, the 100 per cent subsidiary of Cable and Wireless.

The expansion of Mercury proceeds most satisfactorily. 15 May, 1986, was an

historic occasion when I had the privilege with the Secretary of State for Trade and Industry, The Rt Hon Paul Channon, MP, of inaugurating a competitive public switched network making Britain the second country in the world after the United States to have an alternative public network.

We hope that with the planned installation of local exchanges Mercury will be able to provide competitive services to an increasing number of customers. It is with considerable satisfaction that I can record that more than 80 per cent of Mercury equipment is provided from the United Kingdom.

The deregulation of the City of London's financial markets, the 'Big Bang', has stimulated an increased demand for a wider range of more sophisticated communication services. Mercury is laying a fibre optic network within the City to

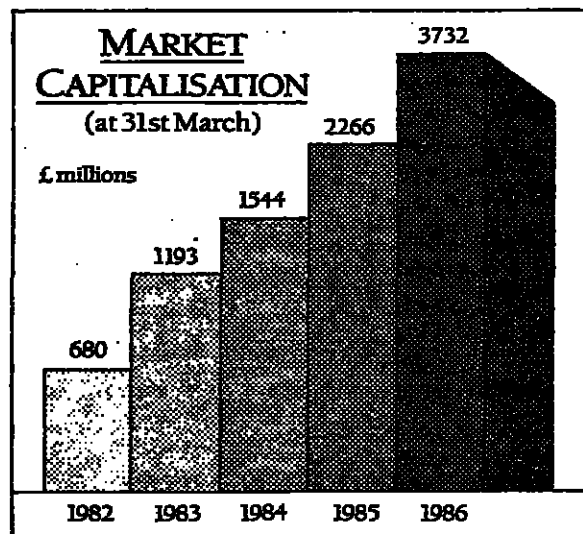


meet this demand, and also ordering a System X digital exchange which will be installed in London in the autumn.

Mercury is now a fully established international carrier, following its agreement with AT&T in April, 1986, to operate

an international-switched telephone service between the United Kingdom and the United States. New agreements with other administrations are being negotiated.

The Far East continues to be a major contributor to Group profits. In December, 1985, I was privileged to open the Eastern Section of the Guangdong microwave project for which Cable and



Wireless provided technical assistance.

On 14 March, 1986, I opened the Western Section, thus facilitating telecommunications traffic between the 25 cities now linked in the Guangdong Province and with Hong Kong.

The entire microwave system stretches over 1,000km. The project to allow direct dialling to Hong Kong from ten cities in the Pearl Delta area is substantially complete.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held at the London Hilton Hotel, Park Lane, London W1 on Friday 25th July 1986 at 11.30am.

REGIONAL MEETINGS

For shareholders unable to attend the Annual General Meeting a series of Regional Meetings will be held.

An audio-visual presentation will be given of the Group's activities both through Mercury Communications within the United Kingdom and Internationally.

All shareholders will be welcome and will have the opportunity to ask questions concerning any aspect of the Group's operations which is of particular interest.

Monday, 28th July	Birmingham	Albany Hotel
Tuesday, 29th July	Bristol	Grand Hotel
Thursday, 18th September	Manchester	Hotel Piccadilly
Friday, 19th September	Leeds	Queen's Hotel
Monday, 8th December	Edinburgh	Caledonian Hotel

Meetings will commence at 5.30pm except for Leeds where it will be at 12 noon.

professional service. I also welcome to the Court two new directors Rod Olsen, Director, Far East and Gordon Owen, Managing Director, Mercury Communications. They are responsible for major sectors of the Group's activities and we look forward to many years of successful contribution from them.

In conclusion, I thank my fellow directors and the managers and staff throughout the world for their support in maintaining and strengthening the pre-eminent position of the Group as the world's leading international operator of telecommunication services. We shall continue to grow and to grow profitably."

Sir Eric Sharp
Sir Eric Sharp
Chairman and Chief Executive

CABLE AND WIRELESS
A world leader in Telecommunications

International Appointments

Managing Director Fund Management Hong Kong

A major international fund management company, part of a leading British merchant bank, wishes to appoint a Managing Director for its Hong Kong subsidiary.

The key responsibilities include:-

- Managing significant funds in Hong Kong and other regional markets for local clients.
- Marketing fund management services to prospective clients.
- Informing London head office of local market conditions.
- Reporting to local clients on portfolio performance of funds managed both in Hong Kong and London.

This is an excellent opportunity for an energetic and experienced fund manager, who should be able to expand significantly the client base and to sustain high quality investment performance for institutional and private clients in the Pacific market.

A generous compensation package of salary and valuable expatriate fringe benefits is offered. Please reply in confidence with full cv details to Box No. AD300, Chronicle House, 4th Floor, 72-78 Fleet Street, London EC4Y 1HY.

Retail Bank - Middle East

Assistant General Manager Head of Loan Recovery

The Bank is a leading local bank in one of the pre-eminent Gulf States, with the Government owning a majority shareholding. It has a well established domestic branch network and branches in Asia and New York. It provides a broad range of retail banking services for institutions and commercial customers.

The Assistant General Manager will take full responsibility for the management of the loan recovery department established to restructure and work out the non-performing assets that the Bank now holds on its books, as a result of changed business conditions. The role demands:-

- experience in restructuring non-performing loans, conducting work-outs and supervising litigation and liquidations.
- the ability to negotiate at the most senior level.
- strong management and motivation.

An energetic and experienced senior retail banker with initiative is needed. Knowledge of the Middle East would be valuable. Ideal age group is 40-50.

The successful candidate will receive a generous tax free compensation package, including substantial fringe benefits.

Please reply in confidence with full cv details to Box No. AGM300, Chronicle House, 4th Floor, 72-78 Fleet Street, London EC4Y 1HY.

Institutional Sales - New York

Major U.K. Stockbroker

A leading British stockbroker, now the subsidiary of a major international bank, wishes to expand the U.K. section of its highly successful New York based sales team. The firm has a notable U.K. research product and a well established and growing institutional client base in the U.S.A.

The successful candidate should have:-

- a proven record of success in selling U.K. equities to institutions.
- a research orientated approach.
- a high degree of energy and good communication skills.

This is an excellent opportunity for an ambitious U.K. stockbroker to join a prominent team in a competitive market place. Ideal age is 25 to 35.

A generous compensation package of salary, bonus and expatriate living allowance is offered. Long term opportunities with the firm are excellent.

Please reply in confidence with full cv details to Box No. ISS01, Chronicle House, 4th Floor, 72-78 Fleet Street, London EC4Y 1HY.

MANAGING DIRECTOR EUROPE

Heller Overseas seeks individual to fill the top level position in London office. Responsible for:

- Management of on-going relationships at Board of Directors' level of 9 joint venture financial institutions in 8 European countries.
- Close supervision of development plans for two majority owned financial institutions in England and Germany.
- Development of specialty lending involving senior secured revolving term loans as part of management buyouts throughout Europe.

Heller Overseas is a wholly owned subsidiary of the Fuji Bank Limited. Heller is a major specialty lender in receivables with an annual turnover in excess of 5 billion dollars in 14 countries outside the United States.

The successful applicant will possess the personal skills to manage the Board relationships and will have the energy and imagination to bring us into our specialty niche in European merchant banking. London based. European languages other than English will be a plus. Compensation package commensurate with experience and ability.

Please send your curriculum vitae to Box AD180, Financial Times, 10 Cannon Street, London EC4A 3BY

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Internationally known and internationally respected, Finexco have entered 1986 in a powerful position.

In fact, today we are firmly established among the foremost names in the growing business of providing expert investment advice to British and other expatriates worldwide.

Yet we are not prepared to rest there. This year we aim to improve our corporate stance even further, both in terms of our market share and, importantly, the level of the highly personal and accessible consultancy service our clients enjoy wherever in the world they might be.

We now wish to add to our International Financial Consultancy team a small number of people who identify closely with our motivations, our style of business and our pursuit of excellence.

Being already highly visible and highly regarded in the overseas community where you are living and working at present will be a major criterion in your selection as a new member of our organisation.

We shall also be demanding of you a degree of self-confidence, high performance and self-motivation that is a close match with our own, together with evidence that you, like us, can not only tackle a challenging assignment superbly well in a competitive and fast-paced market, but that you will thrive on that challenge.

Probably aged not less than 30, your authority and the strength of your interpersonal skills are more important than knowledge of our business. A training programme acknowledged as one of the best in our profession, will equip you with the technical expertise you need to successfully approach your clientele wherever in Finexco's world you join us: we have offices at major business locations in Europe, the Middle East, the Far East and Africa.

To discover more about the mutual benefits of working together with Finexco worldwide, please forward a copy of your CV to: Hilary Gane, (Ref: 381 FT), Whites Bull, Holmes Limited, 63-66 St. Martin's Lane, London WC2N 4JX.

TBG

Director of strategic business analysis - Monaco

The Company

A privately owned industrial group operating principally in North America and Western Europe. Major interests are in agricultural machinery, pumps, glass containers, information technology, metals, electrical and construction products, gas transport and trading, and container leasing.

The Position

Reporting to the Vice President Corporate Development at Corporate headquarters in Monaco, the incumbent will be responsible for:

- Identifying major issues and opportunities in industries in which the Group operates or is considering investing and generating creative investment ideas and strategies for top management.
- Contributing to development of business plans and assessment of acquisitions.

The Requirements

- A demonstrable track record in analysing a wide range of business situations.
- Experience of working with top management.
- Ability to make broad business judgements and to structure creative financial deals.
- Relevant experience in planning, management consulting, corporate finance, or investment analysis.
- Complete fluency in English and knowledge of German and French useful.
- Likely age is 30-40.

Career prospects are excellent, either in corporate role or by transfer to an operating unit. TBG is looking for an outstanding individual and is prepared to pay accordingly. Reply in confidence, with career resume, to: J.B.H. P&I TBG Management SAM, 3, rue Louis Arago, P.O. Box 89, MC-98007 Monaco Cedex.

OVERSEAS OPPORTUNITIES

Our client, the Papua New Guinea Harbours Board, is seeking 2 very capable Financial Executives to complete their management team.

The Papua New Guinea Harbours Board has 560 employees and controls 16 Ports in Papua New Guinea. Both positions are located in Port Moresby, which offers an active social life and attractive sporting activities.

Financial Manager

ATTRACTIVE SALARY PLUS CAR AND BENEFITS (FILE NO: 3069)

This position carries full responsibility for all the financial functions of the Board. Reporting to the General Manager (Administration), the challenge includes: Annual budget preparation and regular reporting; Development and documentation of systems and training of users; Financial policy advice; Preparation of statutory accounts.

The Executive will ensure complete and timely financial reporting to Management, interact with government departments, banks and other bodies and manage a team of 14 staff.

Candidates must be a member of a recognised accounting Institute and should have considerable experience in a senior position. The ability to communicate at Board level and with line management is essential.

The position will appeal to an executive seeking full financial responsibility, who can operate independently and effectively contribute as part of the management team.

Chief Internal Auditor

AROUND £18,500 PLUS CAR AND BENEFITS (FILE NO: 3079)

Reporting to the Audit Committee of the Board, this executive is responsible for the professional conduct of all internal audits including audits of: Management Controls; Accounting and Purchasing; Personnel Systems and Records; Computer Systems; P&I.

The position offers the challenge of consolidating the audit function as an aid to effective management. Development of 3 Audit Officers will be an on-going function and frequent travel throughout Papua New Guinea is involved.

The incumbent will belong to a recognised accounting Institute and should have extensive audit experience, preferably at Audit Manager level, with concise written and verbal communication skills.

Experience in a developing country would be an advantage in both positions. Benefits include free accommodation, education subsidies, relocation expenses and leave fares. A 3 year contract is envisaged.

Complete confidentiality is assured. Initial telephone enquiries may be made to Mike Asgill on 010-61-7-226 2078. Written applications, quoting the relevant file no., should be forwarded to Price Waterhouse Urwick, GPO Box 710, Brisbane, Queensland, 4001, Australia.

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Our client has an immediate requirement for a professionally qualified financial manager who can demonstrate exceptional flair and motivation to be based in this dynamic regional Head Office. Responsibilities will include Strategic and Financial forecasting, liaison with Operations and Marketing staff and planning and coordinating Marketing activities throughout the region.

This position should be regarded as one of the most senior within the organisation and our client's multinational structure will ensure the maximum possibility of rapid progression on an international scale.

The remuneration package includes a high \$ salary plus full accommodation expenses, children's education, relocation costs, all travel costs and a company car.

We are conducting initial interviews in London, Paris and Brussels. Interested applicants should contact Robert Walters or Keith Allen on 01-930 7850 or write enclosing a full cv. to the address below. If overseas please send all correspondence "Express".

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PARIS BANKING

The head office of an international banking Group based in Paris wishes to recruit an English or U.S. qualified lawyer.

The bank is involved in all commercial and merchant banking transactions including syndications, project finance and trade finance generally. The executive staff is multinational and multi-discipline and includes members of a London Stockbroking firm. The Legal Department, which is presently staffed by an American legal Counsel, an English solicitor and French lawyers, now wishes to appoint a self-reliant and energetic lawyer to be based in Paris. Candidates should have a minimum of 2 years post-qualification experience in international financial transactions. A working knowledge of French would be useful.

The total remuneration package will be negotiable at a level reflecting the importance of this appointment.

Applications in confidence quoting Ref: TW/RM C212 to Reuter Simkin, 26-28 Bedford Row, London WC1R 4HE. Telephone: 01-405 6852.

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Accountancy Appointments

FINANCIAL/TAXATION ACCOUNTANTS

A leading International Group invites applications for the following Senior Accounting/Taxation positions at their City of London Head Office.

ASSISTANT TO THE GROUP ACCOUNTING CONTROLLER (A1)

Qualified CA or ACCA with at least six years' post-qualification experience, preferably in both the profession and commerce and with experience of consolidations of international groups.

This position is likely to suit an ambitious qualified accountant who wishes to be involved in both financial and management reporting and financial trouble-shooting/investigations within an international group.

Salary will reflect the experience of the applicant and the importance of the position. Age over 28.

ASSISTANT TAXATION MANAGER (T1)

A Member of the Institute of Taxation or qualified Accountant to be the number two to the Group Taxation Manager. Experience of both UK and international taxation essential, either in the accountancy profession or commerce, preferably with involvement in an international group. Full familiarity with both UK corporate and indirect taxes and the effect of overseas taxes on UK liabilities essential.

This position is likely to be of interest to a taxation practitioner who wishes to broaden his/her experience to include advisory work in an international environment.

Salary will reflect the senior position and the role and experience of the individual. Age over 30.

MANAGEMENT ACCOUNTANT (A2)

Qualified accountant with good professional/commercial experience. Knowledge of accounting in an international group, and experience of consolidations, would be an advantage.

This position is likely to suit an accountant who is looking for experience in an international environment and who wishes to obtain experience in both management and financial reporting.

Salary will reflect the background and qualifications of the applicant. Age mid-20s plus.

SENIOR TAXATION ASSISTANT (T2)

A qualified taxation practitioner to work with the Assistant Taxation Manager, providing advice predominantly on UK tax matters. The Group has substantial UK subsidiaries and is computerising its compliance work and group relief/ACT control, which is centralised at Head Office.

This position is likely to suit a person who wishes to be involved in all aspects of UK company taxation both direct and indirect.

Salary will reflect the background and qualifications of the applicant. Age 25 or over.

To apply please write, enclosing your cv and salary information, quoting job reference above, to:
Box No. 395, Streets Financial Limited,
18 Red Lion Court, Fleet Street, London EC4A 3HT.

International Appointments

EUROPEAN COMPUTER AUDIT MANAGER

Brussels £25,000 p.a. (+ generous relocation)

Ernst & Whinney is one of the foremost accounting practices in Continental Europe with more than 1000 professionals throughout the region. Significant to its business is the servicing of a major client audit base.

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- Key responsibilities will be:
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- iii) the evaluation and implementation of new micro-based computer audit products.
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Accountants, Advisers, Consultants.
Becker House, 1 Lambeth Palace Road,
London SE1 7LU. Tel: 01-428 2000.

FINANCIAL CONTROLLER

Middle East
US\$ 65,000 (tax free)

Our client, a leading commercial bank in the Gulf, seeks to appoint a Financial Controller to be based at Head Office.

The incumbent will be responsible for establishing and directing the performance of the bank's financial, tax and management accounting, for profit planning and budgeting, internal accounting and financial controls and for regulatory compliance functions as required.

The successful candidate will be qualified to ACA or equivalent standard and possess a minimum six years' relevant bank accounting experience, some of which will preferably have

been gained within an automated environment. Strategic planning skills would be an added advantage and a working knowledge of Arabic is desirable.

In addition to the tax free salary, an excellent benefits package is offered, which will include free furnished accommodation, transportation and school fees.

Interested applicants should send a full Curriculum Vitae to:
Walter Brown at Jonathan Wren International Ltd,
170 Bishopsgate, London, EC2M 4LX, Tel: 01-623 1266, Telex: 6954673 WRENCO.

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FINANCIAL CONSULTANT

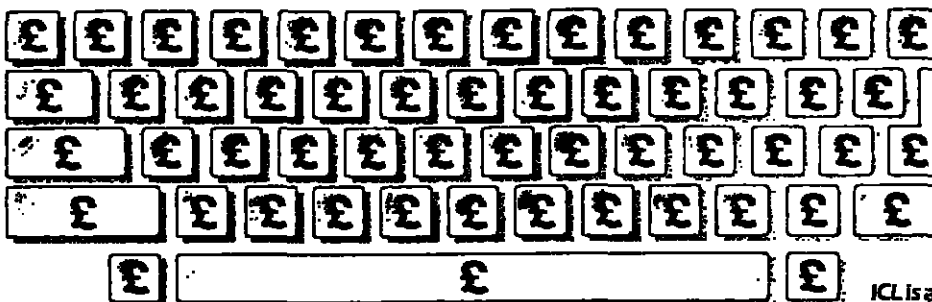
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Finance Director and Projects Director up to £30,000 p.a.

The Greater London Enterprise Board Limited is a public sector investment agency which aims to invest in the long term commercial, technological and social development of companies. The GLEB is under new ownership and new management and wishes to appoint two key Directors to head the Finance Division and the Projects Division.

For both posts we are seeking the impossible. As Finance Director you will be responsible for financial control and monitoring, estimating and budgeting, borrowing, fund management, advice on project finance and management, salaries management and accountancy to the GLEB group of companies. You should be a qualified accountant and have significant experience at a senior level in the private or public sector.

As Projects Director you will be responsible for the management of a project portfolio of over 100 investments. You will be able to develop and apply corporate and financial appraisal and monitoring techniques to complex ventures. You should be skilled in assessing financial support packages for investments with financial institutions following the processing of applications for funding. You will be capable of overseeing project management over a wide range of GLEB supported companies through individual management or staff teams. Ability to deal with local councils, trade unions and disadvantaged groups across industrial sectors, co-operative and black enterprises is essential.

Both posts are part of the management team and report to the Chief Executives.

For further details or an application form contact Brian Mackay, Personnel Manager, Greater London Enterprise Board Ltd, 63-67 Newington Causeway, London SE1 6BD. Tel: 01-403 0300. Closing date Friday 11th July 1986.

The Greater London Enterprise Board is an equal opportunity employer, and applications are welcome from candidates regardless of race, nationality, age, marital status and from registered disabled persons.



DIVISIONAL CONTROLLER

SALARY up to £20K plus BONUS CENTRAL LONDON

A major Publishing Group requires a Qualified Accountant aged between 25 and 35 for the position of Financial Controller in one of its Divisions. The Controller is responsible for the provision of timely financial information and support to the Divisional M.D. and other Senior Executives to ensure the achievement of Budgets and the control of the Division's Assets. Candidates must have had some commercial experience, as they will be expected to contribute towards the formulation of strategies and policies which will improve the Group's profitability and growth. Please quote REF DA/56.

PROJECT ACCOUNTANT

SALARY circa £17.5K WEST OF LONDON

A Multinational with a £3bn turnover based in Weybridge, Surrey, has a vacancy for a Qualified Accountant who will probably be a graduate in his/her late 20's, to join a small Project Team which has the task of building a Financial Data Base and new Consolidation System. At the conclusion of the Project there will be an opportunity for promotion for members of the Team within the Group Finance Department or one of the Subsidiary Companies. Candidates should have experience of Reporting Systems in a large organisation and be familiar with the use of Micro Computers and Computer-based solutions to problems. Please quote REF PA/58.

Please reply in confidence quoting appropriate reference to:

Norman Rayner Associates Limited,
2 The Nelson Rooms, 68 High Street, Weybridge,
Surrey KT13 8BL. Tel: Weybridge (0932) 59482.

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Finance Director

East Midlands

Our client is a young and developing manufacturer of building supplies for the construction industry. Their current and future plans have created an opportunity for an energetic finance director with first class technical and management skills.

Reporting to the Managing Director, and a key member of the management team, the finance director will be responsible for the company's financial affairs. This will include monitoring performance and advising on the financial implications of business decisions.

Ideal candidates will be qualified accountants, aged late 30's. As important as technical and management skills will be a personality with the energy, enthusiasm and tough mindedness to cope with the demands of a vigorous environment.

Location: Leicestershire.

Remuneration: c£24,000, plus an executive car and benefits.

Please write in confidence to: Jacqui Lewis (ref 8363).

KMG Thomson McLintock
Management Consultants
70 Finsbury Pavement, London EC2A 1SX

Finance Director

SW England

c.£18,000 + car

Our client is a successful medium sized bus and coach company soon to be privatised by way of a management buy-out. An outstanding opportunity now exists to participate fully in the ownership and control of a business which will be operating within a challenging environment following imminent deregulation of the bus industry.

Reporting to the Managing Director, the brief will encompass:

- the formulation of short and long-term plans;
- the development of management information systems and controls, and a cash management/treasury function; and

- capital investment appraisal and project analysis.

Candidates will be qualified accountants (ACA, ACCA or ACMA) of at least 5 years standing. Relocation assistance is available where appropriate.

Applicants should respond to John Stanlake, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

MANAGEMENT ACCOUNTANT

This is an excellent opportunity for an ambitious Accountant to join the financial team of Martin Retail Group, an important subsidiary of Guinness, with an annual turnover exceeding £400m through some 1,200 retail newsagents and pharmacies in the U.K.

The position is within our Brentwood based Southern Division Finance Department which is responsible for around 700 of the units. The environment in the department is demanding and exciting, with extensive use made of modern computing and accounting techniques on both mainframe and micros.

Reporting to the Chief Accountant, the successful applicant will be part of a team preparing and reporting on financial and management accounts to strict deadlines. Specific responsibilities will include

profitability analysis, statistical reports, budgetary control and a management accounting service to operating departments.

Candidates are expected to have several years sound accounting experience, a recognised accountancy qualification, and able to demonstrate initiative and reliability under pressure.

An attractive salary is offered enhanced by a full range of benefits including a company car, and if appropriate assistance with relocation.

Please write with full cv. or telephone for an application form to Mrs. S. Ripley, Martin the Newsagent, Martin House, Ashwells Road, Brentwood, Essex. Telephone: Brentwood (0277) 72916 extension 249.

Martin Retail Group

Accountancy Appointments

Group Management Accountant

South Bucks

£22,000 + car

The Company is a successful leader in the manufacture, marketing and distribution of the highest quality household decorative products, fabrics and carpets. Continuing growth will take the turnover for 1986 above £50m. The executive style is professional and based on the efficient operation of accurate management information and reporting systems.

Leading a team of seven, the Group Management Accountant is responsible for the preparation of the parent company management accounts and the accurate consolidation of the management accounts for the operating divisions and subsidiary companies. Other major responsibilities include the preparation and revision of financial plans, the maintenance of an integrated standard costing system, return on investment reports for capital projects and new ranges, and ensuring the various weekly management

reports are promptly produced and accurately interpreted. Candidates should be qualified accountants, probably ACMA, and aged in their late 20s to mid 30s. Your record of increasing responsibility should have been gained in a company with combined manufacturing and marketing activities. You should be experienced in using mainframe computer operating systems and PCs using Lotus 1-2-3 or similar. This position requires excellent presentation and a practical approach combined with the motivation needed in order to achieve objectives.

Please reply in confidence, giving concise career, personal and salary details, quoting Ref. ER866 to: **Michael Falvey, Executive Selection, Arthur Young Management Consultants, 70th Floor, 70th Buildings, Fetter Lane, London EC4A 3DF.**



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Banking

City

Our client, National Westminster Bank, wish to strengthen further their group finance function by recruiting a number of high calibre Chartered Accountants. Excellent career opportunities exist to move into senior management positions.

Specialist Accounting Manager
£24,000 + car

The successful candidate will be responsible for establishing a new technical unit to provide an expert advisory service to senior management. Research will cover the changing aspects of accounting law and practice at an international level. Impact of changes on group companies will be analysed and reported through discussion papers.

Applicants must be qualified accountants in their late 20's with substantial technical accounting experience, preferably gained with one of the larger professional firms. Ref. 3506/3.

Financial Accountants
£19,000-£20,000

Two successful candidates will join the group consolidation function within the Financial Control Division. One candidate will support the Consolidation Accountant with the process and further development of the quarterly computerised consolidation exercise. The other candidate will participate in the preparation and submission of information to the Federal Reserve Board, the SEC and US rating agencies, under the supervision of the US Reporting Accountant. Both candidates will occupy development positions enabling them to make a recognisable contribution to financial control in the Bank.

Applicants will be young ACAs with one or two years post qualifying experience. Ref. 3506/4.

For each post the bank is looking for candidates with outstanding potential who wish positively to make a career in an international financial services group. In each instance the post offers, in addition to the basic salary package, a generous range of banking benefits including 30 days holiday per annum. Stimulating opportunities for career and remuneration progression are offered.

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PEAT
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DETAILS AND APPLICATION FORMS FROM:
THE PERSONNEL DEPARTMENT
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CLOSING DATE 11th JULY

If you wish to discuss the post further, please telephone **Rod Knowles, Chief Personnel Officer** on (0742) 774081. An Equal Opportunity Employer who particularly welcome applications from women, black people and people with disabilities.

City of Sheffield

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Financial Controller

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Reporting to the Finance Director, the post will involve full responsibility for the management of the financial accounting function with ultimate responsibility for over 30 staff. This demanding role will offer the opportunity to make a significant impact and to develop further high standards of financial control.

Suitable applicants will probably be aged 28-33 with a proven track record of man-

agement and an interest in developing their career in one of the UK's most successful companies. Based at an attractive location, the company is well served by motorway links. Prospects are excellent and a generous benefits package will include competitive salary and fully expensed executive car, plus attractive bonus and share option schemes. Full relocation expenses are available where appropriate.

Interested candidates should contact **Chris Sale** on 01-831 2000 (evenings and weekends 01-870 0791) or write to **Michael Page Partnership, 39-41 Parker Street, London WC2B 5LH.**



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Hi Tech Opportunity Financial Manager

South Coast c£21,500 + Benefits

Our client is an autonomous division of a major international corporation whose success has been built on technology serving a variety of industries. The division designs, manufactures and markets sophisticated computer driven systems for use in advanced manufacturing environments. As a result of internal promotion, they now seek to appoint a Finance Manager for their European Business Operations. Reporting to the European Financial Director you will be responsible for the flow of financial information and systems enhancement for these operations. In addition, a positive contribution to senior management decision at their UK based European headquarters will be expected.

Ideally, applicants will be graduate ACA or ACMA, probably aged 25-30 with an excellent track record of achievement to date. The ability to communicate

effectively at all levels, combined with a strong desire to accept responsibility and obtain results is a pre-requisite as the prospects for advancement are known to be exceptionally good.

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If you are young and ambitious and feel that this may be the opportunity for you, then write, quoting Ref. B8059 to **Stephen Doyle ACA, Michael Page Partnership, St. Augustine's Court, 1 St. Augustine's Place, Bristol BS1 4XP or phone him on 0272 276509 (24 hours).**



Michael Page Partnership
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SAGA HOLIDAYS plc Group Finance Manager

KENT £26,000 + car

Saga Holidays plc is the market leader in travel for the over 60's, with markets in the UK, USA and Australia. We are continuing to expand into new markets and turnover last year was £73m with profits of £2m. The position offers a unique opportunity for a qualified Chartered Accountant to join our management team and contribute to our continued success. The candidate must have proven managerial experience and organisational ability, operate with a "hands-on" style and possess the ability to communicate at all levels. It is likely that he or she will have several years' experience in a commercial environment involving intercompany, international accounting and taxation matters. The company offers an attractive salary, non-contributory life assurance, pension and medical insurance together with an allowance for relocation expenses, but more importantly the opportunity of further career development for the candidate who can demonstrate the qualities we seek.

Applicants should write with full details of career to date to:
Peter de Haan, Finance Director, SAGA HOLIDAYS PLC, Enbrook House, Sandgate, Folkestone, Kent CT20 3SG.

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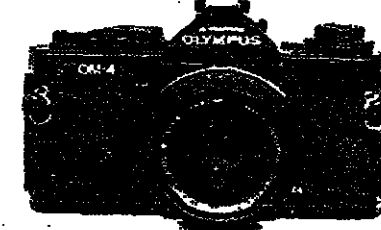
We are Olympus Cameras, the U.K. distributors of quality photographic, audio, microscopes and video equipment.

We require a Chartered Accountant to join our expanding company and the successful candidate will take responsibility for a wide range of accounting activities in our busy accounts department.

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The successful candidate will be expected to commence employment immediately. Apply in writing with full curriculum vitae to: **Miss E.P. O'Shea, Personnel Manager, Olympus Optical Co. (U.K.) Limited, 2-8 Honduras Street, London EC1Y 0TX.**

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Unit Trust specialists

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ECONOMIC VIEWPOINT

Realpolitik reasons for lower interest rates

By Samuel Brittan

LET US try a geographical thought experiment. A hitherto unknown, but very populous country is discovered in the Pacific, called Nipponia.

The inhabitants are ingenious and prosperous. But like the lotus eaters, they enjoy sitting in the sun and prefer leisure to entrepreneurial activity. Nipponia is rich but its growth rate is low.

US Treasury Secretary, James Baker, goes to hear of this country. An adviser speaks: "Think of what Nipponia could do for the world economy. If it really started to grow more quickly, it would take in imports and stimulate the rest of the world. Think what it could do for American exporters, including the energy and agricultural sectors."

"Yes, I know that this is oversimplified. But even the most egotistical theorist could not deny that if Nipponia — which is a large part of the world economy — were to grow more quickly, we would not have to depress the terms of our trade so much to sell our exports, and we wouldn't need that extra 15 per cent devaluation of the dollar that 90 years Fed chairman Paul Volcker."

Is it, however, reasonable that the Nipponese should abandon their cherished habits and force themselves to grow faster? "International co-operation" is a euphemism for something called "international co-operation" — would it not be more sensible to devise a form of economic co-operation which allowed the Nipponese to live as they liked, while others represent a threat to others? But fasten your safety belt. For the imaginary Baker adviser returns in our illustration to correct himself. "It's worse than I thought. It is true that the Nipponese are not growing very fast nowadays. In the first quarter of 1986, their real GNP actually fell. But they really work quite hard. They save a large proportion of their incomes, and invest these savings overseas, to a large extent in the US, financing our Budget deficit, directly or indirectly. The other side to this is a large Nipponese export surplus, displacing the products of our own producers."

"What should we do?" asks the Secretary. We tell the Nipponese to run a larger Budget deficit, to reduce their savings. This will also reduce their export surplus and their overseas investment. The consequences in other countries are difficult to work out in detail. But as the Nipponese surplus is the mirror image of our deficit, it must help the US balance of payments."

"Of course, they are not happy about the first quarter. But erratic fluctuations are difficult to avoid, especially when we have made them force their currency. They do not observe that we Americans are any better at fine tuning than they are."

The Nipponese are not going to raise their Budget deficit or reduce savings in any other ways. They say their savings surplus is a contribution to growth and investment in capital hungry countries. It is kind of the US Treasury and well-wishers in Europe to make remarks about the Nipponese infrastructure. But if Nipponese citizens prefer to place their savings overseas, rather than round at home, then it is with humble bows and respect — their business."

By now we have introduced so many elements of reality that you might as well call the Nipponese the Japanese. The fictitious name allowed me to use a little licence in arguing on their behalf, but it is time to drop the metaphor.

Christian Tyler described in the Financial Times on Monday the precarious state of the world trading regime, and how the success of GATT in reducing tariffs has been increasingly offset by the growth of non-tariff barriers, such as so-called voluntary export quotas.

How much further the retreat to protection will go, and the chances of the eighth GATT round which starts in Uruguay in September of turning the tide, depend crucially on:

1. The sustainability and strength of world growth.

2. The major imbalances between the developed countries and how they are treated.

The main imbalances in the industrial world are the US current account deficit and the Japanese current surplus. A German surplus is also emerging as a lesser issue in its own right. But concentration on the US-Japanese imbalance highlights the main issues.

It was originally hoped that the sharp fall in the dollar since early 1985 — which was given a renewed thrust by the September Plaza Agreement — would lead fairly soon to a turnaround

in the US balance of payments. This now seems less likely. The OECD expects a current US payments deficit of over \$130bn — higher than the figure of nearly \$120bn registered in 1985. Even in 1987 it is expected to be well above \$120bn. Japan's surplus is expected to rise from just under \$90bn last year to \$70bn to \$80bn both this year and next. The German surplus is expected to be in the \$20bn to \$30bn range.

As a proportion of GNP, the US current deficit is expected to dip only slightly below 3 per cent, while the Japanese surplus is seen as hovering on either side of 4 per cent.

International statisticians will bear some responsibility for any protectionist measures rationalised by such estimates. For the world balance of payments, instead of a netting out to zero, comes to a deficit of \$80bn. This is of course absurd, but the absurdity is in the wrong direction. International officials would earn their tax free salaries, and perhaps even be in the running for a Nobel Prize, if they were to allocate this residual among countries so that at least the deficits were balanced by the surpluses.

Even if they did so, however, the US would still emerge with a very large current deficit and Japan with a still larger surplus than at present.

The OECD gives several reasons for the persistence of

the very high US current deficit. They include:

1. The J curve effect. The first impact of depreciation is to increase the dollar costs of imports. The increase in import value and decline in import volume take time to materialise.

2. Importers to the US have absorbed much of the dollar's devaluation in their fairly fat profit margins. So far American producers have gained only a limited price advantage.

3. The "unbalance effect." When imports are 50 per cent higher than exports (as they are in the US), the mere continuation of import and export growth in line with GDP will widen the imbalance. So depreciation has to work against an inherent tendency to deterioration.

4. The effect of past deficits on interest payments. One estimate suggests that if the US trade deficit were to stabilise at 25 per cent of GNP, the interest and service account balance, which has already moved from modest surplus to balance, will be nearly \$100bn in deficit or 15 per cent of GNP — by the end of the decade.

The OECD and the US Treasury both seem to think that a further dollar depreciation of around 15 per cent will eventually be necessary to get the US balance of payments finally on the right track. The Bank for International Settlements

is more sceptical. Its last annual report had a chart of bilateral real dollar exchange rates against the yen and the mark suggesting that all the dollar appreciation since 1981 had been reversed and that the dollar was at — or even below — the average real exchange rate of the last decade.

I leave this issue to be debated by those who claim to know what the exchange rate "should" be. But the factual conversation with which I began shows why it will be difficult to reduce drastically either the US surplus or the Japanese deficit until the causes are tackled domestically.

The table shows the behaviour of savings and investment in the US and Japan. The difference between gross savings and gross investment is equal to net external lending which is in turn equivalent to the current balance of payments. The savings deficiency of the US and savings excess of Japan are no surprise, for they must exist by definition in countries with large external imbalances.

The more interesting information is how these imbalances have arisen. In the US it reflects a slight downward trend in private savings and a more marked upward trend in the public sector deficit. In Japan the main force has been a contraction of the public sector deficit. Ideally these figures should be on a cyclically adjusted basis. But they still give a good rough idea.

Further dollar depreciation would not remove either the US or Japanese imbalances unless it had some indirect effects on savings or investment performance. It would do so if it triggered off a rise in US interest rates which depressed in turn American investment or (less likely) stimulated savings. That is presumably not what the US Administration has in mind.

Secretary Baker's alternative here that, led by Japan and Germany, the rest of the world should grow more quickly — has on the face of it more to be said for it. More rapid growth in Japan and Germany could involve a reduction in the

surplus of savings over investment, especially if it were triggered off by higher Budget deficits, which are themselves negative savings. Even so, if worldwide rise in interest rates were to be prevented, some supportive monetary stimulation would be required which would only work if financial markets did not fear that the whole plan was very inflationary.

The problem about Secretary Baker's approach (on this issue endorsed by Fed Chairman Volcker too) is that it too readily assumes that growth rates depend on how much spending power governments release into the economy. This is used to be known as "unreconstructed Keynesianism" but has had a new lease of life under the label of so-called supply side economics.

The US payments deficit will eventually come down as the Budget deficit declines as a proportion of GNP, which it is likely to do despite the adventures of Gramm-Rudman in the Supreme Court. The urgency of the Administration's desire to get the payments deficit down faster reflects, not so much an external solvency fear, as a concern to provide an export stimulus for the US economy, about whose growth rate Americans are nervous.

If a demand stimulus is really desired, would not an internal stimulus via the Fed prove just as effective for this purpose? It would, though the sectoral composition would be different. Mr Volcker's reluctance to stimulate via the Fed without parallel action abroad, is based on a fear of kicking the dollar further down, which might re-ignite inflation.

There is thus a realpolitik reason for other countries, led by Germany and Japan, letting their own interest rates fall, so that the Fed can stimulate domestically without knocking the dollar into free fall. At the very least it would discourage the Americans from telling the Europeans and Japanese to unbalance their Budgets.

The growth of nominal GDP in both Japan and Germany is now so low that there is little inflationary danger in a monetary stimulus, even though these countries might not have freely chosen it.

Concerted interest rates cuts will not remove the US payments deficit, which will have to be largely financed by the Japanese. This is preferable to any other feasible alternative.

The rest of the world can make it easier for the US to live with its only gradually declining payments deficit by removing the padlocks on Fed freedom of action — so long as it can do so without generating a dangerously rapid increase in world GDP, which is what the international monitors should be watching.

Lombard

Puzzling history of sterling M3

By Anthony Harris

ABOUT THE only thing I can remember about econometrics from my student days — the subject was not held in very high regard at Cambridge in those days — was a health warning from Sir Richard Stone, which to my mind fully justified his ennoblement so many years later.

You should always remember, he said, that almost any historic series of economic numbers would correlate quite well with almost any other, because they were all growing. You could also, as he pointed out, throw in any other rising trend, and speculate that rising GDP makes children taller (true) — that rising owner-occupation is associated with a rising trend of underlying inflation (suggestive, whichever way you read the chain of cause and effect). Be suspicious; that was the message.

Sir Richard came strongly to mind, therefore, when Professors Alan Budd and Sean Holly offered this week an econometric study* of the demand for money based on figures stretching back to 1871, which is more than a century before anyone had even heard of sterling M3.

This is also a period which covers the gold standard, the 1920s float, Bretton Woods and its breakdown, falling prices for the initial 40 years and variable inflation thereafter, periods of credit control without monetary targets, monetary targets without credit control, the earliest over- and under-funding exchange rate disciplines and their absence, war and peace.

Accepting for a moment that Budd and Holly have indeed discovered an equation which explains the demand for money through all this turmoil, what is the natural conclusion? It would suggest to me at least that our monetary history is determined by some law as immutable as the law of gravity, totally unaffected by policy regimes, and that we have all wasted a great deal of ink on the subject.

However, once you examine the equation on offer, this seeming certainty fades rather rapidly away. First, it turns out that the law is not as immutable as all that. It explains, statistically, about three-quarters of the changes actually observed, which is not a very powerful explanation by the Stone standard. Secondly, even this not unimpossibly demanding law breaks down completely for the Barber monetary explosion, and may well prove to have broken down again this year, which means that it will not give us the answers we are most worried about at the moment.

Above all, though, it is horribly complicated. The demand for money does not just depend on nominal growth and representative interest rate. It also depends, quite heavily, on the rate of inflation, and on the shape of the yield curve — whether the Government is out-bidding the banks for money in the gilt market.

This leads to two complications. First, it means that only the yield curve can tell us whether to be worried about excessive growth of M3 — a conclusion which Gordon Fisher claimed some time ago. Worse, it raises what must be called the Butler-Miller paradox, elaborated by those two professors four years ago.

This points out the awkward fact that people want to hold more money when inflation is low because it is a better store of value. This means that you need more money, not less, as inflation falls, which leads to awkward results if you use a monetary squeeze to reduce inflation. Raising the quantity sharply while reducing the growth rate must be quite a trick. I thought this was a satirical point when it first came up, but Professor Budd says "No."

So what do we have? A fairish explanation which breaks down when you most want it, and some nasty paradoxes. And what can be learned from this? Budd and Holly conclude that we should soldier on with targetry, with fuller explanations about why the figures are often so odd. It is not the conclusion I would draw myself.

London Business School Economic Outlook, June 1986.

SAVINGS, INVESTMENT AND DEFICITS

Table with columns: Countries, Years, Gross domestic investment, Gross domestic saving, Net private saving, Public sector deficit, Net external lending. Rows include US (1977-79) and Japan (1971-79).

Disarray over South Africa

From Professor G. Allen

Sir—Mrs Thatcher may be in disarray over South Africa. But it is hard to see that any Western comment, whether for or against, is much better based. This is no better illustrated than by Mr Davidson's long piece (June 23) which at no point discusses whether additional sanctions will reduce or increase the risks of a bloodbath, when either outcome seems equally plausible, or considers just how added pressure will promote reform.

The South African regime is immoral and despicable. But where does that judgement get us? No ethnic minority would willingly or quickly surrender its controlling political and economic powers to a presently disenfranchised majority of some other race. That grim fact would apply if, by some miracle, such a situation faced a Britain governed by any one of its three parties (separately or in coalition) or, say, Mr Gandhi's India. The path to a decent solution is therefore difficult, which we all must know but seem unwilling to admit.

South Africa may find salvation by working towards a Siss situation in which one day, some but not too many years hence, all critical political powers would be confederally controlled by the black "white" cantons. This is presumably what many political and religious leaders in the country have in mind, including some who appear reactionary on the one side and revolutionary on the other. (If not, there really is no hope.)

But, at the most optimistic it is unrealistic to expect more as a beginning for the unrepresented and exploited majority than much accelerated economic development specific to their interests (including some self-determination of policies) and fully enfranchised local government for them in the less "sensitive" sectors (education, hospitals, public housing and the like).

This is, perhaps, obvious and has been hoped, added sanctions will achieve. But, if the intention is to make the whites of South Africa pay the enormous costs of starting to make good the decades of exploitation, the gains which have flowed in large measure through international trade to the west, then the impossible is being expected and failure is certain.

Letters to the Editor

the country. This done, another Eminent Persons Group would have the basis of a fruitful mission.

The same course is ruled out as too much for white South Africans, as insufficient for their compatriots and as too costly for the outside world, then we might as well stop talking and await the growing horrors.

(Professor) George Allen, West Woodlands, Newton Tracey, Barnstaple, Devon.

Venture capital

From the Chief Executive, Capital for Companies

Sir—Since our experience of trying to set up the Coverdale development capital fund was referred to by Ian Hamilton Fazy in his article about venture capital (June 12) perhaps we should amplify his main point regarding the export of employees' savings from Yorkshire to London. Although data is not easily available we believe the amount involved is substantial and says the Yorkshire economy by restricting the development of new "sunrise" businesses to replace those on which the sun sets.

In Yorkshire and Humberside there are four local authority pension funds with assets approaching £1.5bn and a new money inflow of around £100m annually. Investment income will double this latter figure. We estimate that 90 per cent of this inflow is exported to London.

The region has five highly rated Universities. How ironic then that 90 per cent of employee savings are sent to London with little chance of returning to provide the finance required to convert ideas and products developed within these Universities into new small local businesses and the generation of jobs.

The picture is the same for Yorkshire water, Negas, Yorkshire electricity, Yorkshire coal, the power stations, British Rail and the Post Office, all of which divert their employee savings into giant pension funds in London. There seems to be little local influence on the investment policies of these crucial financial institutions.

Lack of will on air fares

From Mr A. Lucking

Sir—You ask (June 24) why not let the more efficient airlines gain as much market share as it can? The principal reason that costs vary within Europe is that Continental wage and salary levels are around twice UK rates. They comprise 35 per cent of total expenses for Swissair, and 26 per cent for British Airways, which is the highest figure for UK airlines.

British Airways noted in May that its productivity still lagged 10 per cent below the top 10 International Air Transport Association airlines so, though it is competitive in Europe, this is not because it is efficient.

Continental Governments will not contemplate full-blown competition, because it would destroy some nations' strategic air transport capability. Hence, the most we can hope for is "country of origin fares," geared to cost levels in the country where they are sold.

For Britain, the key problem is to organise strong local competition to force British Airways to finish the job of maximising its staff productivity. It has been calculated that it is still carrying up to 7,000 passengers on its payroll.

Unendangered species

From Mr R. Kellert

Sir—Mr David Lascelles, in "Endangered species" (week-end FT, June 21), overlooks one small fact.

The successors of his "great 18th and 19th century financiers" are not the Hambros, who have recently packed their tents, or the other cosy family banks. The true successors got to work in the 1960s — people like Siegmund Warburg, Cyril Kleinwort, Kenneth Keith — and have recently packed their tents. The true successors got to work in the 1960s — people like Siegmund Warburg, Cyril Kleinwort, Kenneth Keith — and have recently packed their tents.

My conclusion is that their picked successors are not playing for independence per se (Mr Lascelles says this is their best asset) but for an improved financial performance all round, come what may.

Incidentally, the reason why the Bank of England floated a lifeboat for Barings almost a century ago was that its liabilities were thought to represent nearly 10 per cent of the nation's entire gold stock. If today a merchant bank did a similarly sensational bust (and 10 per cent now would involve a lifeboat for £1.2bn), I suggest that even the Old Lady would cease chattering about big bangs and stir into action.

Richard Kellert, Heronhill Research Organisation, Fernhurst, Haslemere, Surrey.

Workplace ballots

From the Director, Aims of Industry

Sir—Philip Bassett (June 16) comments that workplace ballots in trade unions produce a markedly higher level of membership participation than postal votes, according to a forthcoming academic study. He refers to John Leopold's "Say yes to a voice" — an analysis of the campaign for the retention of trade union political funds 1984-86.

This is not the slightest bit surprising. Workplace ballots are much easier to manipulate and therefore it is inevitable that more forms would be filled in — though regrettably not always by the trade union member himself.

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One could argue equally that Soviet elections have higher participation than western democratic countries, and that their methods should, therefore, be adopted.

Michael Ivens, 40 Doughty Street, WCL.

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FINANCIAL TIMES

Thursday June 26 1986

ROCKSTAR
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CONSTRUCTION EQUIPMENT

Robert Thomson in Peking looks at the difficulty of meshing European and Chinese technology

Volkswagen treads carefully in Shanghai

WHILE attention has focused on the problems of the American Motor Corporation's Jeep joint venture in Peking, a Volkswagen venture in Shanghai has shifted into gear, highlighting unusual problems of its own.

Volkswagen is assembling Santanas in co-operation with the Shanghai Automobile and Tractor Industry Corporation, and plans to extend the car's local content, as well as building a VW engine plant. The project for which a 500-page contract was signed in October 1984, is about six months behind schedule, partly because the Shanghai Corporation decided that instead of scrapping the old equipment in its factory, it would be moved to a new factory a few kilometres away, while the old factory would be modernised by the venture partners.

The West German partners did not find out about the relocation plan until after agreement had been reached. As a result, they had to wait for the new factory to be built

so that the Shanghai Corporation could continue producing the Shanghai model that has been rolling off the line for more than 20 years.

Curiously, the Shanghai was modelled on a 1970s Mercedes 190, after the Shanghai Corporation bought a Buick and decided that the Mercedes was the better car to copy. VW officials in Shanghai would like to open a museum to display the originals.

Volkswagen has attempted to overcome the poor quality of Chinese parts, a problem that is also affecting the Jeep project and limiting local content, by encouraging its major German suppliers, such as Bosch, to start component joint ventures with other Chinese corporations.

Dr Martin Posth, the commercial executive director of the Shanghai venture, said improving local content remained one of the biggest problems. "We have told the local suppliers that they should aim to have world standard parts," he said.

"If you aim a little bit lower, you will never be in a position to export."

The venture involved building a factory with an annual capacity of 20,000 Santanas by 1988, and an engine factory with an annual capacity of 100,000 engines by 1990. The starting capital was 160m yuan (\$50m) and Volkswagen has a 50 per cent share. The Shanghai Corporation holds 25 per cent, a Bank of China subsidiary 15 per cent and the China National Automotive Industry Association 10 per cent.

China has banned most car imports for the next two years, which has been a bonus for the foreign carmakers with joint venture plans. But the tighter foreign exchange controls have created new problems for those companies.

Dr Posth said the Santana venture had avoided that problem, but that negotiations were taking place with the Chinese on a reappraisal of the engine plant agreement to take into account the effects to the yuan's dramatic devaluation

against the D-Mark. The rate has changed from 0.7 yuan to the D-Mark in 1983 to 1.4 yuan now.

He said that inflation was also a problem, with great differences in price increases from supplier to supplier. "Inflation in China is not from the forces in the market," he said. Some suppliers arbitrarily increased prices, though political pressure could be used to force price cuts.

VW has been pleased with the efforts of the venture's Chinese managers, while the new factory opened by the Shanghai Corporation, which has applied some VW techniques, has created competition between the foreign joint venture and the local product.

But the Volkswagen venture has been slowed by the stifling bureaucracy and infrastructure problems that hinder most foreign businesses in China. Getting approval for the import of school equipment for the children of German staff took months, while moving the Santana

kits from the Shanghai port to the factory sometimes takes longer than shipping the kits from Hamburg to Shanghai.

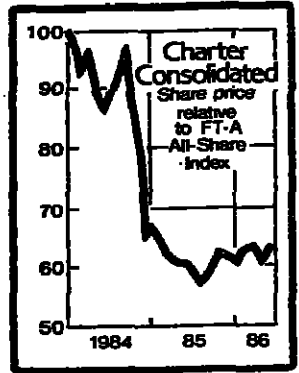
At present, most of the car is still imported, with tyres, radios and steering wheels among the parts made locally. VW is hoping that, as its suppliers settle agreements with other Chinese factories, the local content will rise significantly. The aim is to have 80 to 90 per cent local content by 1991.

The Volkswagen vision is that the factory will ultimately produce vehicles to compete with Japanese and South Korean manufacturers in east Asian markets, as well as satisfying the growing Chinese demand for vehicles. Only one in 7,000 people in China has a car.

The Chinese are desperate to increase hard currency earnings, however, and impatient to perfect products for export, so the German manufacturer is likely to be under pressure to start selling cars overseas sooner than it would like.

THE LEX COLUMN

A Charter for recovery



For some time, and especially in the past two years, Charter Consolidated has looked like an investment trust rotten ripe for unitisation. A discount to net assets, at one point as deep as 45 per cent, showed the City of London's view of the return that a prickly, protected and unlucky management could earn from these assets.

Yesterday's results for the year to March should bury this image. It is not the bald figures, although these are good enough: pre-tax profit is up 74 per cent to £28.8m and earnings almost doubled. It is rather that the management's energy in disposing of low-yielding assets, and sweating up the return on others, is making the promise of a 20 per cent return on capital less fanciful. If Charter has a chance of earning the £100m implied by that goal, the share should not be trading 6.5 per cent.

For the moment, returns are much more pedestrian: as with Cape and Johnson Matthey, the progress comes mainly from dropping burdensome low-return assets financed with debt. Interest charges fell 35 per cent and will fall perhaps as much this year: the sale of Charter's Rowe & Pitman stake, though arguably its best investment, will reduce debt to the minimum level to hedge Charter's US dollar assets.

Charter still has much to do in redeveloping capital tied up in past investments into its opening businesses and in sorting out, or running down, the contracting side. It is hard to share the company's optimism about the tungsten price, and nobody would risk waking the Charter gremlins by suggesting there will be no repetition of the £8m in exceptional provisions. But even without anything dramatic at JM, or much progress in the manufacturing businesses, Charter can make over £40m this year, which implies a single-figure multiple at yesterday's share price, up 6p at 258p.

Siebe/APV

When Siebe's £220m offer for APV closes at 1pm tomorrow it is sure to be a close-run thing. Although the convertible preference share offer is unlikely to attract, the

cash alternative at 670p is way above the price APV shares were trading at before. If the bid fails, the APV price may well fall, especially if Siebe sells its stake. Perhaps it was that thought which motivated sellers yesterday, enabling the Siebe camp to build its stake to 28.4 per cent, excluding the few acceptances already received.

But the battle is about far more than numbers. There is a growing feeling that companies should not be handed over to acquisitive conglomerates quite as readily as they have been in the past. Siebe can point to a good takeover track record. But in this instance the aggressor has not proved its case on either industrial logic or superior management beyond reasonable doubt. APV has argued capably that its own management has improved and that profits are growing rapidly enough to make the offer look less generous. The handful of institutions which will decide the issue should take this chance to look beyond short term gains. If APV survives, they may well call in their markers if it fails to perform.

Cable & Wireless

It is hard to see what can go wrong at Cable & Wireless. Once again it has beaten brokers' forecasts with profits in the year to March up from £245m to £295m, despite the group's sensitivity to the fall in the dollar. Fears that Hong Kong traffic might have slowed proved unfounded. Indeed, the opening up of China and the general growth in the area should keep Far East profits moving up. The US

business managed to improve margins, though they will never match the levels of the rest of the group. But some time or other competitors must decide to take some of C&W's 32.5 per cent pre-tax margins.

Even if they spend the next few years doing that, C&W will meanwhile be changing from the old, fast-growing business into a different, though similarly expanding, company. First Mercury, and further ahead the so-called digital highway will take up the running. Mercury's losses should be much smaller in the current year, while profits are expected next, rising to perhaps £100m in 1989-90. Thereafter, a return should start to come from the heavy capital expenditure, shared with various partners. C&W is making in trans-ocean cables.

That spending now seems within C&W's capabilities without further recourse to shareholders, eliminating another concern. Given a stable dollar, profits this year could reach the mid-£300m level, suggesting a 705p up 15p yesterday. The shares' severest handicap is the run they have already enjoyed.

Brown Shipley

There seems no limit to price in the offshore market for second-hand accepting houses. Even if Brown Shipley had been underdisclosing earnings at the Morgan Grenfell rate, yesterday's price paid by Kredietbank of Luxembourg for a 20 per cent parcel of equity would still be astonishing - especially for a company that has just reported a dip in profits. At this rate, investors will have to tender at least £10 to have the smallest chance in the Morgan offering today.

The market, which has been mesmerised by the 20 per cent since Ansbacher picked it up, could not believe that Kredietbank would not go for the lot. The Brown Shipley share price rose over £1 at one point, to 720p, before the financial institutions woke to the horrible notion that the Luxembourgish might really be as good as their word: the price ended 20p down on the day. Presumably it will be some time before Kredietbank realises that 20 per cent is no guarantee of much say in a business nowadays.

Toyota defends rise in Japan's exports to Europe

BY CARLA RAPOPORT IN TOKYO

TOYOTA MOTOR, Japan's largest car maker, yesterday announced a third price rise in less than a year for its European exports, saying that its cars now cost more than comparable West German and US models.

Top Toyota officials stressed, meanwhile, that the recent rise in car exports to Europe is not part of a global strategy to shift exports there from the US. Japan's exports to the US have slowed because of the rapid appreciation of the yen against the dollar. Its appreciation against European currencies has been significantly less in most cases.

In the first four months of 1986, Japanese car exports to the EEC

rose to \$1.94bn, 92 per cent higher than in January-April last year. In May, exports to the EEC were up 78 per cent on a customs-clearance basis, against a 21.8 per cent increase in dollar terms to the US.

Toyota's Ministry for International Trade and Industry (MITI) recently cautioned Japanese car makers on the fast-rising level of EEC exports, asking for voluntary export restraint in order to head off further trade friction between the EEC and Japan. No target of quotas has been sought by Brussels nor, so far, offered by MITI.

In an interview yesterday, Mr Takahisa Fujita, general manager of Toyota's Europe operations, said:

"This shift theory from America to Europe is totally wrong."

Mr Fujita said there were special reasons for the sudden jump in car exports to Europe. He said the European car market was sluggish early in 1985 because of confusion over emission standards. In the first five months, according to Toyota, shipments of Japanese cars were 13 per cent below the comparable period in 1984.

Now that the emission issue has been settled in most countries, Toyota has been able to sell cars with specially-designed engines that meet the new requirements. According to Toyota, some competitors have charged customers in West Germany, for example, as

much as DM 700 (\$315) extra for cars which meet these standards. This cost advantage was the main reason for the fast increase of Toyota's sales in Europe this year, where its unit sales have jumped 41 per cent in the first five months.

"We have no intention of giving up volume in the US market. Further, we are building a new plant in the US. We need marketing support for this plant, so we can't afford to let sales drop," he said. The same was true, he said, for other major Japanese car makers.

Toyota denies claims that it is absorbing the cost of the higher yen in Europe in order to avoid increasing its prices and losing competitive position. In the West German market,

where the yen has appreciated 11 per cent against the D-Mark, Toyota's sales, for example, now cost DM 12,990, compared with the Volkswagen Polo at DM 12,385, according to Toyota. The larger Corolla is also about DM 500 more than a VW Golf, Toyota says.

Mr Fujita said that Japan's strong performance in Europe was bound to slow down, perhaps averaging between 15 and 18 per cent growth for the industry as a whole.

"We understand that as long as we are prudent and moderate in our growth, it won't become a political issue. French go-ahead for Mistr/Fiat deal, Page 15

Belgian bank buys UK stake

By David Lascelles in London

A STAKE of just over 20 per cent in Brown Shipley, the UK accepting house, has been acquired by Kredietbank SA Luxembourg-based, a merchant bank based in Luxembourg, in a transaction worth £23.1m (\$35m).

The price per share paid by Kredietbank was more than a fifth above the level at which Brown Shipley stock was trading in the open market, and the news produced an astonishing reaction on the London Stock Exchange yesterday.

Kredietbank bought the stake from Henry Ansbacher Holdings, the small London-based bank, and GBL, the Brussels banking group, which had themselves bought it only two months ago.

Kredietbank agreed to pay 750p a share compared with Tuesday's closing price of 610p. Brown Shipley shares were marked up sharply to over 700p in the morning, but then fell back steeply to 560p for a net loss on the day of 20p. However, the deal is understood to have netted Ansbacher and GBL a profit of £7.7m on their brief holding of the stake.

Kredietbank, which is not represented in the City of London, said it had been trying for some time to establish a relationship with a London merchant bank. Brown Shipley will enable it to reach the UK capital markets through its investment dealing and management divisions and its stockbroking company, Hestline Moss.

In return, Brown Shipley will be able to use Kredietbank's expertise in the international capital markets to reach a wider clientele for its corporate finance services.

Kredietbank is 45 per cent owned by Kredietbank NV, one of the largest banks in Belgium, and by several other institutions in continental Europe.

Price collapse 'may cost Opec members \$50bn this year'

BY RICHARD JOHNS IN BRIONI

MEMBERS of the Organisation of Petroleum Exporting Countries may suffer a decline in revenues of \$50bn to \$60bn this year, according to Opec estimates. The organisation's 13 members had total revenues in the \$120bn to \$140bn range in 1985.

Despite this bleak forecast - probably on the optimistic side - in a report prepared by Opec's top economic experts, the prospects of any accord leading to restraint in collective output, a plausible system of quotas and a greater measure of co-operation by other producers, seemed minimal on the first day of the organisation's ministerial conference in Brioni.

Iran's Oil Minister, said he saw little chance of a deal between the majority still basically committed to recovery of market-share for Opec and the minority insisting on a cut in the group's production to

stimulate prices back to around \$28 a barrel as soon as possible.

The revenue forecast is contained in a report by Opec's Economic Commission Board, which was being discussed by the conference last night. It also predicts a decline of 9 per cent in the gross domestic product of the group as a whole in 1986, with the rate varying according to the predominance of oil in the economies of the member-countries.

Nevertheless, there were indications of a more conciliatory attitude by Iran, which, together with Algeria and Libya, makes up a triple alliance pressing for a reduction in Opec output, which is believed to have been running at about 19m barrels a day (b/d) this month and to have created a dangerous oversupply.

Remarks by Mr Aghazadeh to other chief delegates before the start of this meeting suggested that Iran may propose a cut in output less severe than the 14m to 14.5m

b/d ceiling insisted upon by the triple alliance at the last conference in Geneva.

Yesterday, he and Mr Fawzi Shakshuki, the Libyan chief delegate, consulted with Sheikh Ali Khalifa al Sabah, Kuwait's Minister of Oil. Kuwait holds Iran responsible for explosions at its Al Ahmadi oil complex on June 18 which temporarily stopped production, and was evidently meant as a protest against the high rate of 1.5m b/d sustained by the Arab state.

After the talks Mr Shakshuki said that restoration of oil prices to a range of \$17 to \$19 a barrel, seen as a reasonable and attainable goal by the end of the year by the majority, was not enough. "It would be as if we did not do anything," he said.

On Tuesday night, Sheikh Ahmed Zaid Yamani, the Saudi Oil Minister, said that his government was not prepared to agree to a lowering of its quota.

Threat to UK over sanctions

Continued from Page 1

monwealth would be much easier for Pretoria to deal with than a group of nations which was speaking with a single voice.

It is believed that Sir Shridath Kaunda and other Commonwealth leaders not to make any moves that could lead to a dissolution of the group. However, most of Britain's African partners believe that if the August meeting of Commonwealth leaders ends in failure, Britain will have to bear the consequences in some form or another.

Peter Riddell, Political Editor, in London, writes: The British Government yesterday protested to South Africa about the continuation of the State of Emergency and about the level of detentions in a further effort to intensify diplomatic pressures ahead of the EEC heads of government council in the Hague today.

Mr Denis Worrall, the South African ambassador in London, was summoned to the Foreign Office to see Mr Ewen Ferguson, a senior official, and there were similar contacts in Pretoria.

In the House of Commons yesterday, Mrs Lynda Chalker, the Foreign Office Minister of State, claimed that Mrs Thatcher would go to the European Council and to the Commonwealth meeting in early August with "an open mind to see what effective way we can bring about a change of attitude on the part of the South African Government."

Mrs Chalker's comments followed a lengthy discussion of South Africa at the full Cabinet. Ministers apparently endorsed the Prime Minister's approach of seeking a resumption of internal negotiations, coupled with increased assistance for black education.

Mrs Thatcher seems unlikely to put forward any specific new measures against South Africa. However, the indications in London are that if the rest of the EEC insists, the UK might reluctantly agree to some restrictions on the import of South African frozen vegetables, even though this is not regarded as desirable, as part of a package of other measures intended to provide a signal to Pretoria.

Mrs Chalker's report to the Commons on her controversial meeting on Tuesday evening with Mr Oliver Tambo of the African National Congress was unexpectedly well received as many of the conservative right-wing critics of the discussions remained silent. However, one Member of Parliament accused the Government of "treating with terrorism," though others said that the ANC was an important voice which must now be heard.

Mrs Chalker believed that the meeting was positive and could prove "a very valuable initiative in bringing about an end to violence and a start to negotiations."

UK to control price of salt

BY TONY JACKSON IN LONDON

THE BRITISH Government is to control the price of salt.

Mr Michael Howard, consumer affairs minister, yesterday accepted the recommendation of Britain's Mergers and Monopolies Commission that salt prices be controlled because two producers had an effective monopoly in the UK market which operated against the public interest.

British Salt, which has 50 per cent of the white salt market, will be allowed to raise its prices only if the costs rise 1 percentage point. The system will be reviewed after five years.

ICI, which has a further 45 per cent of the market, is to suffer no price restriction. The commission believes that ICI is a much less effi-

cient producer and that any attempt to raise prices above British Salt's would result only in loss of ICI's market share.

The commission said that, although there was no evidence of the two producers having engaged in uncompetitive practices, such as excluding potential rivals from the market, price increases in the UK had been significantly higher than they would have been in effective competition.

The report says "British Salt, as the low-cost producer, could have put more competitive pressure on ICI and still achieved a good return on capital employed. Instead in recent years it has chosen to follow the price increases of ICI, whose

UK costs per tonne are significantly higher than its own."

ICI, which claims to have lost nearly £500,000 (£750,000) in its white salt business last year, said the decision could lead to its withdrawal from the market. "We're not going to stay in the market if in the next two to three years we don't return to satisfactory profit levels," ICI said. "To have price controls based on our competitor's costings is unacceptable."

The commission found that prices in the UK salt market, which was worth around £35m in 1984, had risen substantially faster than the manufacturing industry average. In the five years to 1984-85, British Salt's prices had risen by 82 per cent.

El-Sayed faces probe

Continued from Page 1

It says that it is "improbable" that a broker would have made the purchase for Micro Chem without its having been arranged by Mr el-Sayed.

The Fermenta share price, which stood at SKr 250 on January 3, jumped to SKr 300 on January 9, the first trading day after the deal with Volvo had been revealed.

Given the number of shares involved, the inspectorate said that the case could not be considered "insignificant." "Even if it was made to correct earlier share disposals, or out of 'cross carelessness'."

As possible mitigating circumstances, the inspectorate says that the day before the illegal purchase of 45,000 shares, Micro Chem had

sold some 160,000 Fermenta shares.

The inspectorate also claimed that Mr el-Sayed had breached the new law through his failure, as an insider, correctly to inform the authorities of the above and other trades in Fermenta shares.

In a visit to the inspectorate, Mr el-Sayed claimed in writing that neither he nor his associated companies had sold or purchased any Fermenta shares in the period from December 31 to January 8.

In a later letter to the authorities in April, Mr el-Sayed admitted that Micro Chem had sold 160,000 shares on January 2.

In the letter he gave the wrong date for the illegal purchase of the 45,000 shares, however.

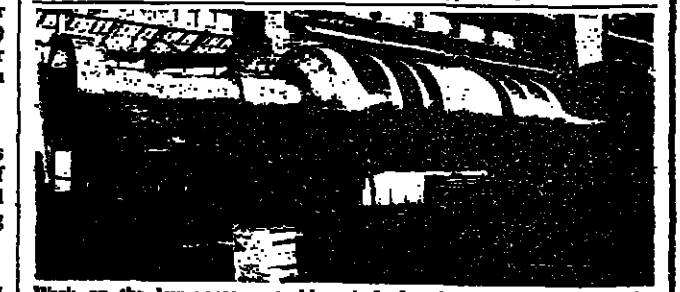
Share prices

Company	Price	Change	Company	Price	Change
Agipco	25 7/8	+	Banque	25 1/2	+
Algeria	25 1/2	+	Edinburgh	18 1/2	+
Ancaster	21 7/8	+	F&W	22 7/8	+
Alstom	31 1/2	+	France	30 1/2	+
Balcan	25 1/2	+	Frankfurt	24 1/2	+
Bankia	22 1/2	+	Genève	25 1/2	+
Banking	28 1/2	+	Germany	27 1/2	+
Banking	28 1/2	+	Italy	27 1/2	+
Banking	28 1/2	+	Japan	27 1/2	+
Banking	28 1/2	+	London	27 1/2	+
Banking	28 1/2	+	Madrid	27 1/2	+
Banking	28 1/2	+	Manila	27 1/2	+
Banking	28 1/2	+	Mexico	27 1/2	+
Banking	28 1/2	+	Monaco	27 1/2	+
Banking	28 1/2	+	Moscow	27 1/2	+
Banking	28 1/2	+	Paris	27 1/2	+
Banking	28 1/2	+	Prague	27 1/2	+
Banking	28 1/2	+	Rabat	27 1/2	+
Banking	28 1/2	+	Rangoon	27 1/2	+
Banking	28 1/2	+	Reykjavik	27 1/2	+
Banking	28 1/2	+	Riyadh	27 1/2	+
Banking	28 1/2	+	Sao Paulo	27 1/2	+
Banking	28 1/2	+	Seoul	27 1/2	+
Banking	28 1/2	+	Singapore	27 1/2	+
Banking	28 1/2	+	Sofia	27 1/2	+
Banking	28 1/2	+	Stockholm	27 1/2	+
Banking	28 1/2	+	Taipei	27 1/2	+
Banking	28 1/2	+	Tel Aviv	27 1/2	+
Banking	28 1/2	+	Tokyo	27 1/2	+
Banking	28 1/2	+	Warsaw	27 1/2	+
Banking	28 1/2	+	Zurich	27 1/2	+

ADVERTISEMENT

UPDATE Chinese Agreement Signed

NEI is in negotiations to secure, as main contractors, a major order for a new coal-fired power station in China. At a recent ceremony in London an agreement was signed which provides for advantageous loan terms to be offered to China for up to £500m of business agreed by both governments. One major project already identified as a potential candidate for export is a 1000MW power station at Yueyang in Hunan Province, about 500 miles north of Canton. NEI has been discussing the project with the Chinese authorities, but detailed contract negotiations have still to take place. The Chinese authorities are hoping to have a contract signed in early 1987. If the contract negotiations are successful, NEI would supply the two 350MW turbine generators for the station and the associated auxiliary plant. They would be manufactured by NEI Parsons Ltd, in Newcastle upon Tyne. Other NEI companies would also expect, following a competitive tendering process, to receive a share of the remainder of the plant. Balfour Beatty would be project manager, supported by BEI.



Work on the low pressure turbine shaft for the 350MW turbine being manufactured by NEI Parsons Ltd, for a new coal-fired power station at Jiazi in Brazil.

Indian Rail Crane Order

Cowans Boyd has won a £4m order from its Indian licensee, Jeyaraj & Co. Ltd., to supply twelve 140 tonne diesel-hydraulic railway breakdown cranes to Indian Railways. The order follows more than three years of technical and commercial discussions with Cowans Boyd and Jeyaraj of Calcutta. The breakdown cranes will be the largest ever supplied to India and amongst the heaviest operating anywhere in the world. The contract comprises overall design of the crane and the manufacture of one complete vehicle, two in knock-down form, and the supply of nine 245 tons of components for assembly in Calcutta.

Relays for Dubai

Reyrolle Protection has obtained orders worth a total of £300,000 for 2,000 protective and ancillary relays for the Dubai Electric Co.

Bridge for Strathclyde

Sir William Arrol has been awarded a £390,000 contract for the construction of the new Bonhill Bridge over the River Lenzie at Alexandria, Dunbartonshire, for Strathclyde Regional Council.

Switchgear for ENEC

Reyrolle Power Switchgear has won an order worth £400,000 for equipment to be installed at the East Midlands Electricity Board's Melton Mowbray 132kV substation.

NEI

Northern Engineering Industries plc
NEI House, Regent Centre,
Newcastle upon Tyne, England NE3 3SB
Tel: Tyneside 091 284 3191 Telex: 537900 (NEI NCL G)

JOBS

How either side can cheat in recruitment

BY MICHAEL DIXON

AS YOU read, pairs of people in hundreds of rooms are talking intently about a vitally important matter. One of them is being interviewed for a job. The other is the interviewer. Wherever in the world they are sitting most of them will be talking largely in good faith, although hardly any one on either side of the interviewing desk will tell the whole truth and nothing but the truth. But here and there the entire exercise will be, on one side or the other, a total confidence trick.

The con is in some cases committed by the recruiter. The most common instance perhaps occurs in the public service where bureaucratic rules dictate that all vacancies above a given level must be openly advertised and the full selection procedure celebrated. There is, by the way, an aspect of the public-service rituals which is liable to non-plus candidates who have previously been interviewed only for business jobs. The taxpayer-financed variety can be remarkably open in the sense that they are held on a particular day and the candidates tend to turn up in bunches. When the opening is of a kind that comes up fairly frequently, the regular candidates come to know one another and hob-nob as they wait for their number to come up.

Recently, for example, I met

an ambitious and athletically talented teacher who was on the interview circuit for deputy-heads' posts in big secondary schools. He said it felt much the same as being a regular contender in tennis tournaments such as Wimbledon.

"You sit there keyed-up, convincing yourself that this time you'll sweep the board. Then in comes a big player, and your heart hits the floor." The only real difference, he added, was that the winner of the interview did not usually reappear in the circus for at least a year.

Often in the public sector, however, the paper is pushed, interviews if not panels of selectors are assembled, candidates slipped in and so on even though who will get the job was decided before the first advertisement appeared. The process is a charade—and at the public's expense—from start to finish.

Coming from the candidates' side is probably no less frequent. Sometimes it is also swashbuckling. An instance was cited the other day by Nick Cowan, now director of the Federation of London Clearing Bank Employers, at a seminar staged by International Business Communications.

In a previous job numerous years ago, he was trying to recruit a top-class financial

analyst. One of the most impressive written applications he received was from a man who said he was severely disabled. He had flown jets with the US Air Force in Korea, and had been shot up in a dog-fight.

To attend the interview he would have to travel a long way and stay overnight near by, and the special facilities he needed would be expensive. Was the company prepared to meet the costs?

The answer was yes. The man duly arrived by cab, was pushed into the interviewing room in his wheelchair, and over the next couple of hours dealt brilliantly with questions not only from Mr Cowan but from the company's financial experts. He then stayed for lunch, during which he chatted about flying and air-bus with one of the interviewers who also had been a pilot in Korea with the Fleet Air Arm.

When the candidate left he was holding everybody's vote for the appointment as well as a cheque for expenses about three times the amount the company was used to paying.

The next morning Nick Cowan went to visit another of the company's branches about 40 miles distant which had a senior management job to fill. His personnel colleagues at the branch told him that the previous evening they had seen pretty well the ideal candidate.

The interview expenses had unfortunately been heavy because the man was severely disabled. On checking, they found of course that none of the previous employers or the professional body or university which appeared on the man's curriculum vitae had ever heard of him. Nor had the US Air Force. The company did not hear of him again either.

"Even though it riddles to find out you've been taken for a ride like that," Mr Cowan added, "you can't help admiring the man and regret it was done with, especially since the company didn't suffer much harm from it."

But there are other forms of deceit on the candidates' side which, although more work-a-day, can be deeply damaging. For example, after I wrote four weeks ago about candidates' right to expect decent treatment from recruitment consultants, I promptly received half a dozen protests from headhunters of whom four cited the same type of cheating. It consisted of a polished career record and an impeccable career record and employed in much the same sort of business whom the most astute recruiter could scarcely avoid putting on the final shortlist. But somehow, after going through numerous interviews and eliciting detailed information about the company and the

job, the candidate decides to stay with his or her present employer.

"Certainly it isn't always industrial espionage," wrote one of the protesters, "but it stands to reason that it must be sometimes. And that is far from the only way we stand to be cheated. Nobody could argue that applicants are sometimes done down by recruiters, but I'm sure we are as much sinned against as sinning."

So, in view of the evidence, it is not surprising that headhunters are often less candid and trusting than entirely upright, if perhaps somewhat inexperienced, candidates might expect. But how to reduce the mutual suspicion which so often bedevils what should ideally be on both sides an honest encounter, is an extremely difficult question.

Several attempts have been made to answer it by the promulgation of codes of recruitment practice.

A new example is published in Britain today by the Management Consultants Association. (Any reader wanting a copy should contact Brian O'Rourke, the association's executive director, at 23-24 Cromwell Place, London SW7 2LJ.) An earlier, and to my mind more usefully comprehensive, version is the one developed by the Jobs column and the Institute of Personnel Management in

the late 1970s which is now part of the IPM's professional code.

But while such codes can no doubt have a good effect over time on behaviour on both sides of the employment process, they cannot get to the root of the difficulties which is the recruiter or candidate who intends to cheat thoroughly and from the outset.

In the circumstances it seems that the best policy for people either offering or seeking jobs is to abide by the selfsame motto: Let the buyer beware!

Brussels bank

HEADHUNTER John Williams seeks a senior treasury consultant for the Brussels arm of a United States bank. As he may not name the employer he promises to honour any applicant's request not to be identified to his client at this stage.

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Jonathan Wren

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A unique opportunity has been created with a highly respectable North American institution who propose to expand its global custodian service by opening an office in London.

To fill this important and demanding role they seek an experienced professional securities specialist. The incumbent will clearly demonstrate a successful career in international securities, with the last 5 years being spent in a senior position. The ability to recruit and manage staff is a pre-requisite, together with a creative flair to develop new products and concepts. Contact Richard Meredith.

All applications will be treated in strict confidence.

SYDNEY

Jonathan Wren
Recruitment Consultants

HONG KONG

170 Bishopsgate, London EC2M 4LX. Tel: 01-623 1266

ACCOUNTING SPECIALISTS

Unit Trust?

tfi The Finance Index
Financial Recruitment Consultants
11 Palmer Street London SW1H 0AB
Tel: 01-222 5169/1181

Senior Credit Analyst

c.£25,000

City

Our client, a leading international bank, is expanding its treasury, foreign exchange and securities lending activities. This growth requires the addition of an experienced international credit analyst to support the marketing and product groups. Reporting to the Senior Credit Officer, responsibilities will include the completion of credit proposals and legal documentation with customer contact as may be required. There is significant scope for career development within the credit or marketing areas.

The successful applicant, based in London, should be a graduate with credit-related experience. US bank credit training is essential. A highly competitive compensation package will be offered.

Confidential Reply Service: Please write with full CV quoting reference 2042/RS on your envelope, listing separately any company to whom you do not wish your details to be sent. CV's will be forwarded directly to our client who will conduct the interviews. Charles Barker Recruitment Limited, 30 Farringdon Street, London EC4A 4EA.

CHARLES BARKER
ADVERTISING-SELECTION-SEARCH

DEALING

MONEY MARKETS TRADERS
at both senior management and junior level
to £40,000

We are seeking by a number of banks, strengthening their market position in the new types of securities market instruments. If your background is in deposits or futures trading and you need to broaden your practical knowledge then at least 2 of these organisations offer comprehensive on-the-job training.

Contact: Joanna Davies

SENIOR SPOT DEALER
To £30,000 + dealing bonus

A major international bank requires a young Spot Trader with about 2 years' experience to step up into a senior dealing role, covering one of the major European currencies. This is a particularly good opportunity to join a bank which trades with large banks and encourages initiative and ability in dealing.

Contact: Joanna Davies

SENIOR/CHIEF DEALER
Working in Minor Currencies
Salary highly neg.

Our client is one of the major players in treasury in London - it seeks to broaden its participation in non major currencies, by appointing senior market-makers to senior positions. They are prepared to consider candidates operating in some of the smaller organisations, who would prefer to work in a large non-UK financial market. The salary package is highly competitive and the atmosphere is both aggressive and relaxed.

Contact: Kevin Byrne

EURONOTE TRADER
Highly Neg. c.£50,000 + bonus

Our client is a major force in the origination, trading and distribution of Euro-commercial paper on a global basis. They seek to recruit a strong, dynamic, multi-currency trader, with experience of Euro-currency, but certainly with knowledge of C.D.S. and the ability to use hedging instruments in a multi-currency market. He/she must be able to control and maintain the dealing team, and also develop an excellent rapport with a policy and clearing counterpart, with those involved in the marketing effort. Salary will not be a limiting factor for a strong player.

Contact: Kevin Byrne

Anderson, Squires Ltd., Bank Recruitment Specialists
127 Cheapside, London EC2V 6BU

INVESTMENT BANKING

INVESTMENT MARKETING
to £30,000

Our client, a leading international securities house, wishes to recruit an experienced investment marketing professional to its London office. Candidates will be graduates aged under 35 years and ideally have gained British experience with either a financial institution or stockbroker. An attractive salary in the level indicated above will be offered according to experience, and will carry the usual range of executive benefits.

Contact: Leslie Squires

FUND MANAGER U.K. EQUITIES

Our client is a major international financial institution. The appointment involves sole responsibility for U.K. equity investment within a highly professional team handling any substantial institutional funds. We should like to hear from candidates who have among their years' investment management experience a strong record in U.K. equities, and an excellent track record over the past period. For an attractive financial package, good communication skills, the appointment offers above average scope and a competitive remuneration package.

Contact: Ken Anderson

YOUNG U.S. BANKER
From Commercial Banking to Corporate Finance
c.£25,000

Our client has formed a separate corporate finance group to handle all the major aspects of corporate banking and capital markets services. This is an active marketing job for a broad range of financial products with personal contact with clients in the U.S. and Europe. The position is ideal for a young U.S. banker who wants to move into corporate finance and has a strong background in commercial banking. Career prospects are excellent.

Contact: Kevin Byrne

FUND MANAGER - FIXED INCOME
To £30,000

The British investment bank is a member of the field of international financial institutions. We should like to hear from candidates who have among their years' investment management experience a strong record in fixed income, and an excellent track record over the past period. For an attractive financial package, good communication skills, the appointment offers above average scope and a competitive remuneration package.

Contact: Felicity Hother

01-588 6644 Anderson, Squires

FINANCE AND ADMINISTRATION MANAGER EUROPEAN CUSTOMER SUPPORT OPERATIONS (SWINDON BASED)

Intel's Customer Support Operations (C.S.O.), headquartered in Swindon, gives customers across Europe access to the most effective ways of using our products, minimising development time and investment cost.

Its three main operating areas - Consultancy, Training and Product Support - combine into one major revenue earning body.

The requirement is for a **FINANCE AND ADMINISTRATION MANAGER**, with dual accountability to the head of CSO in Europe and to the European Financial Controller for:

- ★ Operational support and Management Information Services, together with Business Systems planning.
- ★ Inventory control, budgeting and forecasting.
- ★ Controlling business reporting indicators and accounting across 15 legal entities in Europe for C.S.O.

Candidates should be ACA qualified with about 8 years' direct experience in a similar Customer Support environment at European level. A knowledge of U.S. GAAP procedures and U.S. accounting requirements would be highly desirable. An ability to contribute strongly to our future business direction and decisions will be required.

The benefits package includes a highly competitive salary, car, private medical cover, free life and business travel insurance, relocation assistance and pension arrangements.

For an informal discussion, please call Ray Withey on Swindon (0793) 696000 or send a full C.V. to: Human Resources Department, Intel Corporation, Pipers Way, SWINDON, Wiltshire. SN3 1RJ.



Personnel Department,
Intel Corporation (UK) Ltd.,
Pipers Way, Swindon,
Wiltshire, SN3 1RJ
Tel. Swindon (0793) 696000

Compensation & Benefits

How do you reward someone with the capability to make millions in minutes....

c. £30K + car + benefits

City

If you are sufficiently creative to solve this problem and have the ability to gain top management support for your innovative approach, then you are as crucial to the business as the person above.

As one of the world's top ranking global financial services companies, operating in markets from Tokyo to New York to London, my client is at the forefront in developing and exploiting the initiatives that are revolutionising the financial world. They recognise that key to their success, both now and for the future, is the acquisition and retention of world class people; the kernel of any leading services business.

Reporting to the Director of Personnel, the Compensation & Benefits Manager will be accountable for developing the necessary approaches to ensure a competitive edge for the company's reward policies. Covering the UK and Continental Europe, the job is a head of function role with a team of specialists to ensure effective implementation.

You will have extensive knowledge of international compensation and benefits practices with substantial experience in a multinational company environment. What sets you apart is your ability to be both innovative within the confines of company policy and, where necessary, to carry your argument such that policies are amended.

Salary and benefits in this post will be no bar to the right person. Write with C.V. and salary details, quoting reference MD1048, to Murray Fraser, Macmillan Davies, The Old Vaults, Parliament Square, Hertford, Herts., SG14 1PU. Telephone: (0992) 552552.

Macmillan Davies
PERSONNEL SEARCH



Senior Salesperson

Financial Futures
£ Highly Competitive

A powerful and prestigious international bank with a major presence in futures and options seeks to appoint a key individual to manage the broking operation.

Ideally in their late 20's, candidates must have an extensive knowledge of all aspects of financial futures and come from a broking or trading background. At least four years' experience in this area is essential as is the energy and enthusiasm to direct and co-ordinate the expansion of the operation.

The successful applicant will be a highly motivated, decisive and creative individual with the ability to strengthen and lead the rest of the team.

This is regarded as a key appointment and will be rewarded accordingly.

In the first instance please contact Victoria Ward Krickic at Michael Page City, on 01-404 5751 or write to her at 39-41 Parker Street, London WC2B 5LH.



Michael Page City

International Recruitment Consultants - London Brussels New York Sydney
A member of the Addison Page PLC group

DIRECTOR - TREASURY MANAGEMENT

D C Gardner & Company are a corporate banking consultancy who specialise in the field of training and human resource development. The firm, operating from prestige offices in the City, has a client base of over 130 major banks and regularly undertakes overseas assignments.

An experienced treasury management specialist is now sought to join the firm at a senior level to undertake treasury management, consulting and training assignments. Candidates, male or female, will either be working as a corporate treasurer or within a treasury/capital markets area of a leading bank. A good working knowledge of treasury and capital markets instruments such as swaps, futures and options is essential. Salary and benefits are negotiable, but anyone earning less than £25,000 p.a. is unlikely to have the experience and qualifications required to fill the position.

Please write initially, enclosing a detailed cv, to:

Mark Allsup
Director
D C GARDNER & COMPANY LTD
8-9 New Street, London EC2M 4TP

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and £12 per Line
Premium positions will
be charged £49 per
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Centimetre

For further information call:

Louise Hunter
01-248 4864
Jane Liversidge
01-248 5205
Daniel Berry
01-248 4782

South Coast Computer Services Group seeks FINANCIAL DIRECTOR

The Company

EuroLink, formed in 1979, now with an annual turnover of £14 million, specialises in supplying computer personnel to industry on permanent or contract basis.

The Job

To reorganise and computerise the accounts department (HP3000 installed) whilst also preparing the Company for Public Quotation.

- Salary £28K plus annual bonus
- Company car
- Private health scheme
- Share option

The Person

Fully qualified with audit background and experience in preparing a company for public quotation essential. Must be highly motivated, experienced in man-management, administration and organisation methods.

Although not necessarily from the computer industry the candidate must have an accounting computer background.

Write in first instance with full CV to:
The Chairman
EuroLink Computer Group Limited
Head Office: Blenheim House
56 Old Steine, Brighton BN1 1NH



Economists

A leading UK Bank has vacancies for two Economists to join its economics team based in the City of London as Research Officer and Senior Research Officer.

Applicants will have good Degrees in Economics, and at least 3-4 years' experience as business economists. They will be familiar with the usage of computers and will have proven ability in writing and communication. The successful candidates will be expected to work independently, exercise initiative and meet tight deadlines. The person appointed to the post of Senior Research Officer will have greater experience and responsibility, and his/her duties will include supervising more junior members of staff.

The work will involve analysing economic and financial information, preparing reports, and participating in research projects covering a wide range of economic subjects such as: interest rates, exchange rates, money supply, world trade, energy, commodities and country risk assessment.

The successful candidate will be offered salaries in the region of £13,000 to £17,000 per annum for the position of Research Officer, and £17,000 to £21,000 per annum for the position of Senior Research Officer. Both positions provide challenging opportunities for gaining wider experience, and offer good prospects for advancement in the longer term. All applications will be treated in strict confidence.

In the first instance please apply in writing stating experience, qualifications, present position and salary to Box Number A0182, Financial Times, 10 Canon Street, London EC4P 4BY.

SPOT FX DEALER

COMMERZBANK, London Branch, is seeking applications from experienced Foreign Exchange Dealers to join the Bank's expanding Spot Team.

Ideal candidates, aged between 25 and 30, will have received training in the dealing room of an active market maker and be used to developing their own ideas and markets.

A most competitive salary will be offered to the right person, based on age and market experience, and our excellent benefits package is wholly in keeping with our position as one of Europe's leading Banks.

Please apply in confidence, enclosing a detailed C.V., to The Personnel Manager, Commerzbank AG, London Branch, P.O. Box 286, 10-11 Austin Friars, London, EC2P 2JD.

COMMERZBANK

Leasing & Asset Finance Specialist

to £18,000 p.a.

Our client, a leading UK Bank, is significantly increasing its involvement in the direct financing of assets, both in the corporate and public sector. As a result, a key vacancy has arisen for an analyst, reporting to the Leasing and Asset Finance Manager.

Candidates, aged 25-30, will be graduates and preferably holders of an AIB, with a minimum of 2 years' experience of lease analysis. Responsibilities will include the evaluation, preparation and submission of quotations and the subsequent negotiation, structuring and documentation of transactions in the medium ticket range (average £2-3m). Applicants will also become involved in some of the bank's funding and lending activities to financial institutions. An in-depth knowledge of computer based evaluation systems is a prerequisite.

Those interested should contact Andrew Stewart on 01-404 5751 or write to him, enclosing a comprehensive curriculum vitae, at 39-41 Parker Street, London WC2B 5LH, quoting ref. 3648.



Michael Page City
International Recruitment Consultants - London Brussels New York Sydney
A member of the Addison Page PLC group

STERLING TREASURY BILL

C. D. TRADERS

Prestigious UK Stockbroker, active worldwide and backed by the resources of a leading International Banking organisation, is seeking to expand its money market activities. Candidates should have a minimum of two years' experience in a trading environment and will be given considerable autonomy to develop a profitable trading operation.

High performance is required and to attract and reward successful candidates, an extremely competitive salary with bonus scheme and other fringe benefits is offered.

DEPOSIT DEALER SALARY £15-20,000
A major international bank requires a Deposit Dealer with a minimum of 6 months' experience to join and assist in the expansion of its dealing room.

SPOT DEALER SALARY £25-30,000
A Spot Dealer with a minimum of 3 years' experience dealing in major currencies is required for a major international trading bank.

RESEARCH ANALYST SALARY C. £15,000
An International Investment Group seeks a Research Analyst to work alongside the Fund Manager. Experience in the bond market with a graduate/good education represents the ideal candidate profile.

For further details please telephone Catherine Vinn on 01-421 1942 or write to her at 18 Rood Lane, London EC2M 8AF. All inquiries will be treated with strict confidentiality.



Brunel Banking Appointments

CORPORATE FINANCE EXECUTIVES

We are currently recruiting on behalf of a number of UK Merchant Banks who are looking to develop and expand their Corporate Finance Departments.

They provide general financial services leading to money raising, re-financing, mergers, acquisitions and disposals for clients who include many of the best known names in British industry and commerce.

The ideal candidate will be a high calibre graduate aged 24-28, with ACA or legal qualifications gained within a City firm, or be a banker with some experience of mergers/acquisitions or new issues work.

Promotion will be rapid and salary competitive for the individual who is confident, articulate and capable of taking the initiative.

Please ring or send cv to Sara Bonsey.
All replies will be treated in strict confidence.

18, Eldon Street, Moorgate, London EC2M 7LA, Tel: 01-588 4224



EXPORT FINANCE

EXECUTIVES TO £17,000

Our client, a leading Merchant Bank requires two executives both of whom must be prepared to travel overseas, and who are in possession of the following experience and qualifications.

- (i) Approx 3 years' previous banking experience, including Export finance and ECGD.
- (ii) Approx 1 year's general banking experience and training.

The successful candidates will be graduates who are looking to improve and further their careers within a progressive financial institution. For further details, please telephone Carole Stevens or Sandie Robinson on 01-236 1113.

Fortress Recruitment Services Limited
Tel: 01-236 1113

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£41 per Single Column Centimetre and £12 per line
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For further information call:

Louise Hunter 01-248 4864

Jane Liversidge 01-248 5205

Daniel Berry 01-248 4782

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Are you earning more than £25,000 p.a. and wondering how to position yourself to take advantage of the opportunities offered by THE BIG BANG?

Connaught's discreet and successful Executive Marketing Programme provides professional excellence in helping you to identify those unadvertised vacancies. Contact our City Division for a free confidential meeting or telephone Richard Coote.

32 Savile Row, London, W1 **Connaught** 01-734 3879 (24 hours)

The Executive Job Search Professionals

CORPORATE BANKING ACCOUNT OFFICER

A leading North American Bank offering a wide range of services and with a significant UK presence is seeking an experienced Account Officer for its Corporate Banking Group in London.

Candidates will be expected to demonstrate good communication and analytical skills, a high level of motivation and team orientation and the ability to maintain and develop profitable account relationships with a broad spectrum of treasury, capital markets, credit and non-credit services to UK corporations in a highly competitive and evolving environment.

It is envisaged that within 1-2 years the

successful candidate will assume full responsibility as Relationship Manager for a portfolio of major accounts and prospects and will have the capacity and drive to make a significant contribution to the organisation. A strong academic and professional background is required.

This position carries an attractive compensation and benefits package and is likely to attract those currently earning in the £16,000-£19,000 range.

Please send a detailed CV in confidence to:
JPW Recruitment Advertising Ltd
Ludgate House
107 Fleet Street
London EC4A 2AB

JPW
Recruitment Advertising

Hoggett Bowers

Executive Search and Selection Consultants
BIRMINGHAM, CAMBURY, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Stockbroking

North Yorkshire
c. £90,000, Bonus potential

A successful young stockbroking firm seeks a high calibre achiever to lead a small, dynamic team, in the further development of its research and new business department. This is a key position, and will require an individual, probably 35-50, with great personal drive and flair, backed by sound commercial and business acumen. The opportunity would be particularly suitable for a qualified Accountant, business graduate, or similar, with good selling and analytical skills, plus the ability to get on well with people. You may well have worked in merchant banking, stockbroking, accountancy or the legal profession. You must be a self starter, with the presence to relate well at very senior level, and the determination to provide positive and vigorous leadership in developing both the department and generation of new business. A most attractive compensation package including excellent career prospects is available in this particularly pleasant part of the United Kingdom.

Male or female candidates should submit in confidence a comprehensive C.V. or telephone for a Personal History Form to J.A. Thomas, Hoggett Bowers plc, 7 Lisbon Square, LEEDS, LS1 4LZ, 0532 448661, quoting Ref:1400/FT.

Pensions Administration

Racal Group Services Limited provides a range of professional technical and specialist services to the highly successful Racal Electronics Group. The Pensions Department which is based in Bracknell, Berkshire is looking to recruit a Pensions Administration Manager.

The individual appointed will report to the Assistant Company Secretary and will control the Group's Pensions Schemes. He/She will work closely with the Group's professional advisors in dealing with all aspects of administration of the schemes, including: benefit calculation, investments and accounting.

The position is both challenging and demanding and will involve working in a busy friendly team who are responsible for pension schemes involving 20,000

employees within the United Kingdom. The person we are looking for will probably be PMI qualified and/or have 5 years' relevant experience. Above all drive, enthusiasm and the ability to communicate effectively at all levels is essential.

In return Racal offers a competitive salary which will reflect experience and ability. Other conditions of employment include: a contributory Pension scheme and 27 days' annual leave.

If you are interested in this vacancy and feel that you can meet our requirements, please apply in writing enclosing brief career details and present salary to: Mr A J Franklin, Personnel Executive, Racal Group Services Limited, Westgate Road, Bracknell, Berkshire RG12 1RG.



RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374 Fax No. 01-256 8501

A career appointment with Field Management prospects in 6-12 months and scope for further advancement.

NEW BUSINESS EXECUTIVE - PROPERTY FINANCE

CITY

FAST EXPANDING CORPORATE LOANS DIVISION OF MAJOR BRITISH BANKING GROUP

For this appointment, due to expansion, we seek corporate loans executives, aged 28-35, with not less than five years experience in bank corporate lending. This must include at least two years in a successful field new business development role involving the identification of potential prospects, credit analysis and assessment, term loan structuring and the closure of sound and profitable deals. A knowledge of the requirements of the property or construction sectors is desirable and established contacts in this field will be an asset. Reporting to a Regional Manager but with a large measure of autonomy, the successful candidate will be responsible for pioneering new growth and the total management of a client portfolio with increasing involvement in the overall control of the region. Essential qualities are an analytical mind, a positive and imaginative approach, presentation and negotiating skills together with the ability to achieve targets with the minimum of direction and supervision. Initial salary negotiable £20,000 - £25,000, car, mortgage facility, non-contributory pension, life assurance and assistance with relocation, if necessary. Applications in strict confidence under reference NBE 4426/FT to the Managing Director: C.J.A.

£20,000-£25,000 + CAR

A career appointment offering significant promotion prospects within the Corporate Planning Group or in General Financial Management in 2-3 years.



FINANCIAL AND STRATEGIC ANALYST - PETROCHEMICALS

BERKSHIRE

CORPORATE HEADQUARTERS OF MAJOR EXPANDING EUROPEAN PETROCHEMICAL MANUFACTURER - SUBSIDIARY OF LEADING US ENERGY CORPORATION

This new appointment, the result of expansion, calls for Honours graduates in a numerate discipline or qualified accountants, aged 24-28. We require a minimum of 2 years experience in the financial and business analysis function within a major corporation using advanced investigative techniques, incorporating micro-computer modelling. A background in the petrochemical industry and an understanding of modern accounting practices are desirable together with a knowledge of French. The successful candidate, as a member of a small team, will be responsible to the Manager, Planning and Evaluation, for the analysis of business proposals and comment thereon, budgeting and planning, strategic, financial and market studies, including acquisitions, plus the control of major capital expenditure. Key to the success of this appointment are an enquiring, analytical and constructive approach, presentation skills and the ability to perform with the minimum of direction and supervision. Applications, in strict confidence, under reference FSA 4427/FT to the Managing Director: C.J.A.

£16,000-£18,000

35 NEW BROAD STREET, LONDON EC2M 2NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELETYPE: 887374. FAX: 01-256 8501.

ORGANISATIONS REQUIRING ASSISTANCE ON RECRUITMENT PLEASE TELEPHONE: 01-428 7593.

UNIT TRUST EXECUTIVE

Manchester, the North and Scotland

We are a rapidly expanding subsidiary of one of Britain's major insurance companies. Our unit trusts score regular high placings in the performance tables, and in 1985 we were a leading contender for the Observer 'Small Unit Trust Group of the Year' Award.

Our plans for further expansion in the unit trust industry have resulted in an opportunity for an experienced investment executive to actively promote our range of unit trusts to stockbrokers and unit trust advisers throughout the North of England and Scotland.

Essential qualities are a first class appreciation of the investment scene, an outgoing personality, strong personal motivation and a

commitment to a high level of professionalism in contracts with advisers.

The remuneration package is very competitive and includes a salary in the range £14,000 to £21,000, depending on experience and proven ability, a substantial performance bonus, a company car, a subsidised mortgage and a non-contributory pension.

Please write in confidence, with details of qualifications and experience, to Roger Harwood, Unit Trust Manager, The Royal London Unit Trust Managers Limited, Royal London House, Middleborough, Colchester, Essex, CO1 1RA.

THE ROYAL LONDON UNIT TRUST MANAGERS LIMITED

MONEY MARKET INSTRUMENT TRADER

As a leading primary dealer in the new Gilt-edged market, Hoare Govett is expanding its activities in the Sterling money markets. We are looking for a trader in c.d.s/bills who at present is actively involved in trading cash money market instruments for a bank.

The successful candidate will join a small professional team supported by the very best systems and client base. The position offers the opportunity to participate in the formation of a money market function and the remuneration and prospects reflect this excellent opportunity.

Telephone David Porter or Rodney Barker on 01-404 0344 or write in complete confidence to:

Hoare Govett Limited, Heron House,
319-325 High Holborn, London WC1V 7PB.

LONDON NEW YORK SINGAPORE HONG KONG TOKYO MELBOURNE CHANNEL ISLANDS



SWAPS

Your Chance to Enter International Treasury

A prestigious commercial bank, geared up to offer a total complement of financial services worldwide, is expanding its operations in the Swap market and has created this position in London as a key role for development in its treasury division.

As an integral part of a small and dedicated team, you will assist in processing and administering interest rate/Swap Swaps. You will also be responsible for supplying market research in this area, drafting all Swap agreements and contributing to innovation in treasury products.

A graduate aged 22-28, you are keen to enter the Swap market from a general banking

background and have at least 2 years' banking experience, which may include a knowledge of Swaps. You are numerate, accurate and attracted by the idea of developing your career within a growing team and by the challenge of helping an international organisation develop its expertise.

Remuneration is competitive and includes excellent banking benefits. To apply, please telephone or write, in complete confidence, to Matthew Wright of Cripps, Sears & Associates Limited, Personnel Management Consultants, International Buildings, 71 Kingsway, London WC2B 6ST. Telephone: 01-404 5711.

Cripps, Sears

Securities Trading

J.P. Morgan, the institutional investment management arm of one of the world's major corporate banks, is seeking two experienced people to join a small, friendly and highly professional team within their Securities Trading Department.

FIXED INTEREST TRADER

To trade in US\$ Eurobonds, US Treasury Bonds and Fixed Interest Securities around the world. You should have a minimum of two years' experience of Fixed Interest Trading.

EQUITY TRADER

An excellent opportunity to expand your experience in around-the-world trading. You will probably have at least three years' experience in any equity business.

A new, well-equipped trading room provides a first-class working environment. We offer competitive salaries and 'large bank' benefits which include mortgage subsidy facilities, profit-sharing bonus, non-contributory pension and life assurance schemes, free medical insurance and a subsidised restaurant.

Please reply with a complete c.v. to Mary Thom, Personnel Manager, J.P. Morgan Investment Management Inc., 83 Pall Mall, London SW1Y 5ES.

J.P. Morgan Investment

Finance Director (Designate)

Not less than £18,500 p.a. plus car Lake District Fringe

Our client, a well established expanding company providing varied bus and coach services throughout Cumbria, shortly plans to become privatised through a management led buyout. This planned move will pose an interesting and exciting opportunity for the company's management to continue the successful growth of the business and for its employees to participate in its ownership.

The company wishes to appoint a Finance Director Designate responsible to the Managing Director whose broad brief will be to guide the management team on all financial matters through the forthcoming privatisation playing a full part in managing business growth. Specifically the successful candidate will be expected to provide, manage and improve a full range of administrative services covering planning, accounting, costing, treasury and capital investment appraisal.

Candidates must be qualified accountants possessing technically sound skills and experience in directing the financial function, thereby contributing to the commercial success of a business in a computerised self accounting environment and personally able to demonstrate drive and commitment with an ability to manage change.

The attractive remuneration package includes a fully negotiable salary and comprehensive fringe benefits, including relocation assistance to the northern Lake District and it is anticipated the successful candidate will be appointed to the Board on privatisation.

Please apply in confidence with details of your career, with contact telephone numbers, quoting reference 5733/FT before 11th July 1988 to: Brian Jones, Human Resources Division,

Grant Thornton
Management Consultants

Heron House, Albert Square, Manchester M2 5HD.

Assistant Manager Securities - Global Custody

Royal Trust is the U.K. banking subsidiary of one of Canada's largest financial institutions which has funds of more than CAN\$ 60 billion under administration.

The continuing growth of our securities operation has created a key position for an Assistant Manager to coordinate and manage our Global Custody service.

The successful candidate will have:

- * Minimum of 5 years practical experience in all aspects of a securities administration including related data processing applications

- * At least 2 years experience of successful people management.

- * The ability to cope under pressure and work on his/her own initiative.

It is unlikely that applicants under the age of 27 will have sufficient maturity or experience for this position.

In addition to a competitive salary we offer a range of benefits which include Mortgage Subsidy, Pension & Life Assurance, Private Medical, Season Ticket and Personal Loans, Staff Restaurant.

Please write in strict confidence with your career and salary progression details to:

John Newman
Associate Director
The Royal Trust
Company of Canada
48-50 Cannon Street
London, EC4N 6LD.



Harrison & Willis

PA TO CHAIRMAN

LONDON W1 From £18,000 + Car

Our client is a well known Public Company Chairman who wishes to recruit a young Chartered Accountant to act as his personal Financial Assistant.

The appointment is based at the group headquarters in Central London and will involve assisting the Chairman, who maintains a high business profile, with a wide variety of interests.

You will be a Graduate and Chartered Accountant aged 25-27, having trained with one of the large professional firms, and you will be able to demonstrate strong commercial awareness together with a background of achievement, drive, initiative and flexibility. Tax experience will be an advantage.

The post offers a unique opportunity to candidates wishing to leave the profession to join a growing organisation providing very strong prospects of a rewarding career in business.

For further details of this position please contact: **Graham Palfrey-Smith** on 01-629 4463 during office hours. Alternatively 01-697 6811 in the evenings or at weekends.

HARRISON & WILLIS LIMITED, CARDINAL HOUSE, 39-40 ALEMARLE ST., LONDON W1X 3PD. TELEPHONE: 01-629 4463.

Treasury Dealers

HOLBORN, LONDON

British Gas wishes to appoint two dealers in its Treasurer's Department.

- Sterling Dealer

to assist in managing the Corporation's substantial position in the wholesale money markets.

- Foreign Exchange Dealer

to be responsible for managing all its foreign currency positions.

These appointments offer the opportunity to join a forward looking and commercially oriented Treasury department whose range of activities is likely to expand over the next few years.

The successful applicants are likely to have obtained several years experience of active dealing in a financial institution or major company. The preferred age range is 25-35 and a degree or professional qualification, although not essential, is highly desirable.

Salary and other benefits are those normally expected of a large progressive organisation, including assistance with relocation expenses where appropriate.

To apply, please write with full career details, and quoting reference FIN/0050/002 to: The Senior Personnel Officer, British Gas, 59 Bryanston Street, London W1A 2AZ.

An equal opportunities employer.



c.£35,000 p.a. + car and benefits including share options

FINANCIAL DIRECTOR

LONDON W1

VITARI

A commercially minded Graduate FCA/ACA, aged 30-40, with at least eight years proven experience, with the ability to take total control of the company's financial operations. Will have good City connections, the ability to negotiate with banks and to handle the anticipated flotation of the company. Will become a member of a small, but highly professional, management team.

An outstanding opportunity to be involved in the launch and development in Europe and the Middle East of VITARI, the revolutionary new American frozen fruit dessert. Remuneration comprises salary plus performance bonus. Excellent fringe benefits include share options, contributory pension, company car, medical/life cover.

Applications in writing, enclosing current CV, to: Arden C. McClelland, Managing Director, Yodolo (UK) Ltd., 28 Brook Street, London W1.

Chief Accountant

City

Our client, a large German bank, is seeking a Chief Accountant for its London branch. The branch is currently expanding rapidly and wishes to strengthen its management team.

Reporting to the Operations Manager, the Chief Accountant will supervise a small team and will manage the branch accounting function. Main responsibilities will encompass the production of annual balance sheets, profit and loss accounts, and regular management reports. Foreign exchange valuation, taxation and financial planning will also be included in the role.

This opportunity will appeal to a young, qualified accountant who has already gained some experience in a financial institution, preferably a bank, and is now keen to expand his or her responsibilities. Knowledge of German is essential.

£25,000 + banking benefits

Candidates should have excellent verbal and written communicative skills, be adaptable and able to combine an attention to detail with a creative approach to problem solving. The remuneration package includes basic salary and particularly generous banking benefits.

Please reply in confidence, enclosing career details and quoting reference 7048/L to: **Claire-Marie Francois-Ponce**, Executive Selection Division, **Peat, Marwick, Mitchell & Co.**, 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.



WEST MIDLANDS ENTERPRISE BOARD LIMITED

Venture & Development Capital Investment Executive

Age: 26/35

£15-17,000

The West Midlands Enterprise Board is a local authority controlled regional development agency providing investment finance, training, technical advice and other facilities for expanding businesses in the West Midlands region.

The Board provides equity and long term loan capital for developing unquoted businesses and in addition to investing its own funds, WMEB is a Joint Manager with Lazard Securities Limited of the £5m West Midlands Regional Unit Trust. The Board wishes to recruit a new Investment Executive, to work on his/her own initiative, as a member of a team of six executives, reporting to the Deputy Chief Executive - Investment.

The new executive will be responsible for appraising investment proposals coming to the Board, negotiating appropriate financial packages, making recommendations on new investments to the Directors of the Board, and supervising legal implementation of approved investments. He/she will also have responsibility for post-investment management of part of the total portfolio.

In addition to a university degree or professional accountancy qualification candidates will be expected to have at least 2 1/2 years' industrial, merchant banking, venture capital, or post-qualification professional experience. Sound judgment of people and commercial opportunities is an essential quality for the work, also a keen interest in assisting the successful development of business through an interventionist and publicly accountable development agency.

The Board has an attractive pension scheme and car loan package, and can offer assistance with relocation expenses to appropriate candidates.

Please write with full curriculum vitae to:

The Chief Executive,
West Midlands Enterprise Board Limited,
Wellington House,
21-24 Waterloo Street,
Birmingham, B2 5TJ.

WMEB is an equal opportunities employer.

TREASURY

GILT Trader FX Dealer

Our client, a leading bank in Scotland invites applications for two new treasury positions, a Gilt Trader and a FX Dealer.

The successful applicants will have at least three years' experience, a good working knowledge of the other sectors in the sterling market and the ability to develop the necessary systems due to be incorporated within a new dealing room.

This is an ideal opportunity to join a fast moving organisation committed to extend further their activities in this important sector of the marketplace.

Salaries are negotiable and will not be a barrier to the appointment of the right people.

Please write with comprehensive curriculum vitae, in the first instance, to: **R. W. Haggden** (Ref 430/FT), Lockyer, Bradshaw and Wilson Limited, 39-41 Parker Street, London WC2E 6LH indicating any companies to which your application should not be forwarded.

LBW

LOCKYER, BRADSHAW & WILSON LIMITED
A member of the Addison Page PLC Group

Assistant Group Secretary

Salary c.£21,000 + car + benefits

Ipswich

FISONS
Group Headquarters

Fisons is a major international group operating in the pharmaceutical, scientific equipment and horticulture business sectors.

The Group has shown excellent growth in recent years both organically and by acquisition, particularly overseas. Accordingly, the Group Secretary wishes to strengthen his Secretarial team by the appointment of an Assistant Group Secretary.

The successful applicant will be a chartered secretary with demonstrable experience within the Secretarial Department of a public quoted company. Probably aged between 25 and 35, the appointee will be expected to make a significant contribution to the work of the Department, which is subject to considerable pressure and involvement. The successful applicant requires the ability to gain the respect and co-operation of people at all levels within the Group.

The salary is negotiable and the benefits include a quality car, medical cover, a contributory pension scheme, and relocation if appropriate.

If this challenging opportunity interests you, please send your career and current salary details to Mr. B. C. Barrett, Personnel Services Manager, Fisons plc, Fison House, Princes Street, Ipswich, Suffolk IP1 1QH. Alternatively, you may telephone him on Ipswich (0473) 56721 for further information or an informal discussion.

Director Management Consultancy

Nottingham

Negotiable Salary + Car

The continued growth of our management consultancy activities on a regional basis has created the opportunity for this appointment. The Director's main responsibilities will be to market, sell and direct the consultancy practice, through the existing client base, and the development of new business in the East Midlands region.

The successful candidate will probably be a graduate and qualified accountant, aged 30-45, with a minimum of 5 years consultancy experience, including the management of assignments, preferably gained in a major consultancy practice.

A pre-requisite for success will be the ability to produce positive results by personal initiative.

Please write in confidence, enclosing a concise curriculum vitae, including full salary details, and quoting reference 6481 to:

Peter Childs
Pannell Kerr Forster Associates
New Garden House
78 Histon Garden
London EC1N 6JA



GILTS AND FUTURES MANAGER

Our client, a well regarded British Merchant Bank, is looking for a Manager to head its Gilts and Futures Trading Department.

The successful applicant will be expected to lead a small team dealing in Gilts, Sterling Futures and Options. He or she should be prepared to set up a new Capital Market team.

The remuneration package contains a full range of benefits including car, mortgage subsidy etc.

Please apply in confidence to **Stuart Glass**:

IAN WILLIS ASSOCIATES LTD.
Executive Selection Consultants
16 Regency Street, London SW1P 4DB.
Tel: 01-821 6543.

Key financial, administrative, business support role

Commercial Management

£20,000 + car + benefits London area

A leading \$1.2 billion US manufacturer of high technology equipment is continuing to expand its successful UK operations with a policy of regionalising its sales and support functions.

An exciting opportunity has emerged for a high calibre individual with a business related degree or accountancy background to take up a new role as Regional Support Manager based in the London area. The role will provide dedicated financial, administrative and commercial/business support to sales, systems engineering and customer service management. In a truly "dynamic" environment,

day to day problem solving, performance analysis and advice on business deals are the key tasks as a central member of the management team.

Aged 28-35 you will have had at least five year's business experience in an administrative/financial function, in a computerised office environment. Strong commercial awareness and interpersonal skills are vital. The attractive benefits package will include relocation assistance where appropriate.

Please send your career and current salary details to Alan Brown or telephone him on 0628 75956.



MKA SEARCH INTERNATIONAL LTD
MKA House
King Street
Maidenhead
Berks SL6 1EF

MANAGER - QUALITY ASSURANCE

One of the world's most successful international investment banks, Credit Suisse First Boston are also the leading issuing house in the Euromarkets.

Our Operations Department is responsible for the processing and administration of all transactions across a wide range of financial products. We insist on the highest standards of accuracy under a highly pressurised environment. To maintain and indeed improve our performance in all aspects of quality assurance we require a person able and willing to accept this challenge. You will probably be an outstanding honours graduate with significant experience at a major bank, securities house or commodities firm. Applications from professionally qualified persons would be welcomed.

The resources available to you will be substantial in terms of manpower and equipment. The results expected will reflect this. In return we undertake to offer an exceptional package with all the usual investment banking benefits together with opportunities for career progression. Please send your C.V. to: Personnel Department, Credit Suisse First Boston Ltd., 22 Bishopsgate, London EC2N 4BQ.



MERCHANT BANKER

WITH ENTREPRENEURIAL FLAIR
SOME EXPERIENCE IN MERCHANT/INVESTMENT BANKING

We offer responsibility and the opportunity to make a personal contribution

Send full CV to:

The President
MOGHUL CREDIT LTD
8 South Street
3 Upper Brook Street
London W1V 1PA

Appointments Wanted

GRADUATE BA (Hons)
London Based Age 24
Linguist
German, French, Swedish
Stockbroking experience, seeks assistant position on sales/trading desk connected with traded options/futures/bonds
Write Box 40182, Financial Times
10 Cannon St, London EC4A 3DF

Corporate Finance Hong Kong

An unusual opportunity has arisen in Hong Kong with one of the most prestigious British securities houses. The role will initially involve a training period of approximately six months in the London merchant bank's corporate finance department, before moving to Hong Kong to join their small but well-established group, which handles mergers and acquisitions, placings and general corporate advisory work.

It is envisaged that suitable candidates will fulfil the following criteria:

- ★ Newly or recently qualified graduate ACA
- ★ Articles with a major firm of Chartered Accountants
- ★ Hong Kong National
- ★ Fluent Cantonese and written Chinese: Mandarin would be an advantage.

In addition it is essential that candidates are articulate and confident with the self-motivation to develop a successful long-term career with this international group.

In the first instance please contact Lindsay Sugden ACA on 01-404 5751, or write to Michael Page City, 39-41 Parker Street, London WC2B 5LH.



Michael Page City

International Recruitment Consultants - London Brussels New York Sydney
A member of the Addison Page PLC group

Director - Investment Management Build a New Operation c. £60,000 + Car + Bonus

This major international financial services organisation with offices worldwide and an impressive growth rate, is establishing an independent investment management company, based in the City. A senior Director is now sought to take responsibility for the development of the operation. You will work closely with the Managing Director in policy making, business development and marketing strategy, as well as overseeing administrative matters. Initially you will be involved in the management of a diverse range of portfolios, until further sector specialists and analysts are recruited. Considerable importance will be placed on your team building abilities.

Aged 35-45, you have a sound knowledge of international securities including US equities and, ideally, will be familiar with the management of a bond portfolio as part of a multi-currency fund. A skilled and persuasive communicator, you are strongly self-motivated, adaptable and capable of working effectively with a wide variety of colleagues and clients, including those overseas.

This post offers a generous salary, substantial bonus and full banking benefits. Please write with career details, in complete confidence, to Jane Comben of Cripps, Sears and Associates Limited, Personnel Management Consultants, International Buildings, 71 Kingsway, London, WC2R 6ST. Tel: 01-404 5701.

Cripps, Sears

CREDIT ANALYST

Privatbanken Limited, owing to continued expansion of its United Kingdom based business, is now seeking an additional experienced Credit Analyst to assist the bank's marketing team in maintaining the quality of its customer portfolio.

The ideal candidate should be aged between 25-30 years of age and have two to three years experience of analysing medium and large size companies operating in the United Kingdom, together with the necessary acumen and personality to support the marketing team in the day to day management of the portfolio.

An attractive remuneration package will be available to the person selected for the post.

Applicants should write in confidence with full details of current salary and benefits to Mrs. M. S. Unwin, Personnel Officer, Privatbanken Limited, 107 Cheapside, London EC2V 6DA.

SPECIAL ASSISTANT to the Managing Director

THE COMPANY
Growing, diversified asset based financial services company whose ultimate parent is a major European bank. The company's business is carried out from its own offices in the City and through subsidiaries in the U.K. and abroad.

THE POSITION
The MD wishes to recruit a special assistant to fulfil a number of diverse but essential responsibilities. Principal duties will be:
- Ongoing monitoring, supervision and control of subsidiaries.
- Strategic planning with regards to tax, corporate structure and business activity.
- Ongoing evaluation of regulatory and tax environment in U.K. and the company's principal foreign markets.
- Internal control with particular regards to loan and security documentation, administrative procedures.
- Preparation, production and control of material in respect of shareholders, board of directors meetings, conferences, seminars, press releases, etc.

QUALIFICATIONS
The successful candidate will need multi-disciplinary qualifications, including legal or accountancy, knowledge of corporate procedure and company law, and experience in credit risk evaluation and international documentation. Other essential attributes include initiative, motivation, thoroughness and the ability to identify and define issues, problems and opportunities.

Please apply in writing to Box AD184, Financial Times
10 Cannon Street, London EC4A 3DF

FINANCIAL PLANNING

Douglas Deakin Young, independent financial advisers, are retained by over 50 major UK companies. We provide individual financial counselling for staff at all levels and give corporate advice on a wide range of tax, pension and employee benefit problems.

Applicants in their late 20s are being sought to join our highly professional consultancy team from a background of pensions, personnel, tax, insurance or related areas. Candidates may already have previous experience in financial planning.

The salary will be around £17,500 plus car, and applicants should write in strictest confidence enclosing their curriculum vitae to:

Louise Botting, Managing Director,
DOUGLAS DEAKIN YOUNG LTD,
7/9 St. James's Street,
London SW1A 1EE

Treasury Associate Cash Management & FX

Occidental Petroleum Corporation, a major U.S. international energy company, is seeking a Treasury Associate for its Eastern Hemisphere headquarters in London.

Age 24-32, candidates will probably be graduates, with experience in banking or finance, preferably including multi-currency computerised treasury operations.

The prime duty is foreign exchange dealing for the corporation world-wide, and requires the development of successful relations with a wide range of financial institutions.

Other duties include application of advanced techniques and instruments in corporate

cash management, and associated development projects.

Working within a highly professional team, an enthusiasm for successful dealing, a talent for financial analysis, and well developed communication skills are important personal attributes.

The post offers excellent opportunities for professional development and a first class remuneration package.

Please telephone or write to Miss Jane Cornhill, Occidental International Oil Inc., 16 Palace Street, London SW1E 5BQ. Tel: (01) 828 5600.



SOUTHEND TRANSPORT LIMITED Financial Director/ Company Secretary

c. £20,000 + car

For a new public transport company shortly to take over operation of the existing bus undertaking from the Borough Council. The company is expected to have a turnover of around £5m in its first full financial year. A particular feature of the business is the innovative express services to London and Heathrow Airport, started some years ago and which now represents a substantial element of the business. The company will initially provide engineering services for the Council's general vehicle fleet.

Reporting to the Managing Director you will have total responsibility for the financial function and for company secretarial matters. Your first task will be to review existing financial and management accounting systems for the control and monitoring of the company's operations and, if necessary, design and implement improve-

ments. Thereafter you will play a key role in the planning, budgeting, control and monitoring of the company's finances while also acting as Company Secretary.

As a qualified accountant you must have proven experience in a commercial or industrial environment and should be familiar with computerised accounting systems. You should have a consultative management style and first class interpersonal skills.

Application forms and information from the Personnel Officer
Telephone 0702 355115

Closing date for receipt of applications:
10th July 1988

PK FINANS INTERNATIONAL LIMITED

PKfinans International Limited is a member of the PKbanken group, one of Sweden's largest commercial banks with worldwide assets of over £15 billion. Our company in the U.K. specialises in providing asset-based finance and financial services to U.K. and international customers.

We are currently looking to strengthen our Risk Asset Management team by appointing experienced professional credit people at both intermediate and senior levels. The successful candidates will need to demonstrate skills in both credit risk and asset risk evaluation.

If you have sound relevant experience gained in a similar environment and are looking to further your career objectives we would be very interested in hearing from you.

In the first instance please provide a copy of your CV in confidence to:

Leonard J. O'Donoghue
PKfinans International Limited
49-51 Bow Lane
London EC4M 9JH

AUDITORS

for American bank. Graduates with minimum two years' experience within a bank or large firm of chartered accountants. Travel in Europe and Middle East. Excellent salary and benefits.

CREDIT ANALYST

for European bank. Several years' experience are required together with the necessary attributes to move into Marketing. £15,000+.

FX SUPERVISORS

with experience of instructions, confirmations, settlements, to £11,500.

ACCOUNTANTS

newly qualified and looking to move out of the profession. Initially to work in Financial Control with the possibility of progression into other areas of banking. £17,000+.

Please telephone Shelagh Atwell on 01-583 1661 or send c.v. in confidence:
ASE RECRUITMENT
30 FLEET STREET, LONDON EC4A 1BE

DIVISIONAL FINANCE DIRECTOR

West Yorkshire c.£18,000 + car etc.

Our client is a well established and profitable division of a large publicly quoted UK group.

Reporting to the Divisional Managing Director, the successful candidate will be responsible for the preparation of monthly management and annual statutory accounts, budgeting and forecasting. Additional responsibility will be for systems development, controlling the financial and accounting function of European subsidiaries, and the provision of input into the commercial operation and strategic direction of the business.

Some knowledge of foreign exchange management would be useful.

The requirement is for a qualified accountant (ACMA, ACCA, ACA) aged 28 to 40 of above average technical ability who is prepared to offer a long term commitment to an organisation where ability and effort will be recognised with an attractive salary and benefits package. Relocation costs will be met where appropriate. Please contact Brian Daniels (Managing Director), Daniels Bates Partnership Ltd., Leeds Office, Tel: (0532) 461671, quoting ref: 86/2095FT.

Daniels Bates Partnership
PROFESSIONAL RECRUITMENT

Daniels Bates Partnership Ltd., Josephs Well, Haverhill Walk, Park Lane, Leeds LS3 1AB. Tel: (0532) 461671 (5 lines 24 hours). Also at: Fountain Precinct, Leopold Street Wing, Sheffield S1 2GZ. Tel: (0742) 764815

DEALERS

We are retained by a Major International Bank, who are currently re-structuring dealing operations, in order to strengthen an already significant market presence.

Opportunities exist for high calibre individuals, with proven experience, as SPOT, DEPOSIT, FINANCIAL FUTURES and CORPORATE dealers.

Salaries are particularly competitive, as is the full benefits package. Dealers, interested in improving their position, should call for a discreet, initial discussion.



Gordon Brown

Bank Recruitment Consultants
67/69 London Wall, London EC2M 5TP
Telephone: 01-628 4501

Accountancy Appointments

Young Accountant Investment Banking

c.£20,000 + low cost mortgage etc.

Our client is the London based investment banking subsidiary of a major and highly reputable international bank. A leader in the field of international equity syndication and placement and both the primary and secondary bond markets, the bank is undergoing rapid expansion.

Acting in direct support of the bank's management, the Accountant will review transactions and procedures primarily in an audit capacity. Reporting at Executive Committee level, he or she will work closely with the Financial Director and as well as advising on operating systems and control functions in the accounting, trading and settlement areas, which will involve a significant proportion of the work, will also be expected to undertake specific projects

eg. investigations into the feasibility of certain activities or the profitability of business products. The position arises as the result of a promotion. The individual's exposure within the organisation and the continuing growth of the bank will provide excellent opportunities for career development in either the financial/management accounting function or other areas of the bank. In their mid to late 20s, applicants should be recently qualified Chartered Accountants who are capable of working on their own with the minimum of direction.

Please write, enclosing a career/salary history and daytime telephone number, to David Hogg FCA quoting reference H/448/SF.

Lloyd Management

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

Corporate Planning

c. £20,000 + profit sharing Central London

We seek an ACA or ICMA qualified accountant, or MBA, to join a small Corporate Planning team at the headquarters of this multi-national pharmaceutical group. Your role will include preparation of an annual Corporate Plan, regular analysis of commercial and economic intelligence data, evaluation of subsidiary company performance and development of computer databases in support of strategic planning activities.

Your varied professional and commercial experience should have involved computer modelling, strategic planning at a group or subsidiary level and preparation of new business development plans. We are looking for someone with good

commercial sense who enjoys the challenge of international business. In addition to the salary and profit sharing, there is a non-contributory pension scheme and 25 days' holiday. Please forward a comprehensive curriculum vitae, with details of current salary, to Miss P. A. Sandry, Senior Personnel Officer, Glaxo Holdings p.l.c., Chorges House, 6-12 Chorges Street, London W1Y 8DH.

Glaxo Holdings p.l.c.

Financial Controller

New International Bank
City
c.£35,000 negotiable + car + benefits

One of the largest financial institutions, our client is now establishing a major commercial banking facility in London to complement the other services provided by this highly-regarded international financial services group. As part of the recruitment of key senior management personnel, they now seek a Financial Controller to establish and run the accounting function.

Reporting to the General Manager, Administration, the person appointed will assume full responsibility for all financial

and management reporting, budgeting and tax planning. Key tasks initially will be to specify accounting control systems and take a leading role in systems design and implementation.

The position calls for a qualified accountant with several years' international banking experience and the ability to implement effective computer systems. A sound knowledge of corporate tax is also important. This start-up position in an organisation which plans substantial

growth over the next few years will be a stimulating role and the compensation package will be geared to attract the right candidate.

Candidates should apply in confidence enclosing full CV and quoting reference MCS/3034 to: Milton Ives Executive Selection Division Price Waterhouse Management Consultants No. 1 London Bridge London SE1 9QL

Price Waterhouse



Accountants with 1-2 years' PQE in banking/investment FINANCIAL CONTROL AND PRODUCT DEVELOPMENT Participation in the City revolution

These are new positions created within the new trading framework of a major banking and financial services group, which is recognized as a key player in the forthcoming changes in banking, investment and trading markets. Each job is a broad-based commercial management role, with involvement in the development of new products and accounting policies, and impact into major business decisions. Working, therefore, as part of a

senior management team you will be expected to be an assertive and confident manager, with an ability to communicate effectively outside your own discipline.

Candidates should be qualified Accountants with at least one year's experience outside the profession within a financial institution. Outstanding recently qualified candidates may be considered. A full banking benefits package including car and bonus is offered.

Interested candidates should contact Kevin Byrne on 01-588-6644 or contact him at the address below. All applications are treated in strictest confidence.

Anderson, Squires Ltd.,
Bank Recruitment Specialists,
127 Cheapside, London EC2V 6BU

Anderson, Squires

Financial Controller

F.D. Designate

Up to £25K + car N. London

The company is market leader offering a unique product within a market with enormous growth potential. Established approximately 10 years ago, the company has made consistent progress with turnover currently at c£5m with positive, ambitious business plans for the future.

This is a new appointment, reporting to the M.D. and with total accountability for financial management of the company including developing, managing and controlling information, reporting and control systems. Whilst the existing finance team is well established there is a 'big job' to be undertaken to review and implement effective financial systems and to develop the function.

Success in this role should lead to your appointment as main board F.D. within approximately 2 years.

You should be a qualified accountant, with a broad range of commercial experience, including sound knowledge of computerised systems, ideally gained within a sales driven environment.

The package is for discussion as indicated.

Please send - in confidence - your C.V. to Philip Bainbridge, Selection Consultant ref. B.35022.

HAY-MSL Selection and Advertising Limited,
52 Grosvenor Gardens, London SW1W 0AW.
Offices in Europe, the Americas, Australia and Asia Pacific.

HAY-MSL
FINANCIAL SERVICES

FINANCIAL CONTROLLER

S.W. London c. £18,000

Our client is a major consultancy business specialising in the provision of high level advice in the retail and distribution industry sectors. The Chief Financial Officer (who is also the Company Secretary) now needs to strengthen his team to prepare for a new stage in the company's development.

Immediate requirements and responsibilities will include the day-to-day administration of the accounts function including the production of monthly management accounting information, the development of a costing system for project work and the introduction of a computerised accounting system.

The company has a superb record of growth and is now preparing for an exciting period of expansion. This places a heavy demand on the finance function and suitably qualified accountants who are adaptable, numerate, articulate and who can demonstrate experience in a retail or service industry will be considered. Candidates must be graduates and ideally aged 26-30. An attractive benefits package is for discussion including profit share, pension and medical health insurance.

Please send full career history, in total confidence, to:

Nicholas Potter, quoting reference 226/FT,
Mainstay Management Services Limited,
34 York Street, Twickenham, Middlesex TW1 3LJ
Tel: 01-891 3301

MAINSTAY
Management Services



ISLAND RECORDS LONDON

ISLAND

Assistant Financial Controller

c.£18,000 + Car plus Benefits

This is an exceptional opportunity for a young qualified accountant to take part in the financial management of this rapidly growing business.

The Assistant Financial Controller will be responsible for the day to day operations of the Accounts Department and the development of the associated computerised systems.

Candidates for the position, ideally in the age range 25 - 30, should have sound experience in financial disciplines, preferably in the record industry, and have knowledge of computer-based accounting systems.

The personal qualities required of candidates are good communication and management skills, plus the enthusiasm and drive to ensure the effectiveness of the department.

Applications, giving full personal and career details, including current salary, should be submitted quoting reference S/816/1 to Katherine Godfrey at: Stoy Hayward Associates, Management Consultants, Executive Recruitment Division, 8 Baker Street, London W1M 1DA.



Stoy Hayward Associates

MANAGEMENT CONSULTANTS

A member of Horwath & Horwath International

Company Accountant/ Secretary (Designate)

Small Company Background

c.£22,000 + car Surrey based

Qualified Professionals, identifying with the small company environment will find this new opportunity both challenging and rewarding.

A dynamic, fast-moving business with a high calibre workforce, my clients sell and distribute high value products to markets in the Soviet Union and Eastern Europe.

As a practical Accountant and with the minimum of support, you will be responsible for Cash and Asset Management and producing all Financial and Management Accounts, as well as consolidating accounts of subsidiary companies and Company Secretarial duties. In addition, you will act as adviser to the Board over the matter of external investment, creating the corporate structures to attract the same.

Aged 30-40 and living within reasonable daily travel, applicants must be familiar with Accounts Preparation and Company Secretarial duties in a multi-currency business utilising a computerised accounting system.

Please write with full curriculum vitae to include relevant company financial information and current remuneration to: Robert Little, PER Management Selection, 12A Commercial Way, Woking, Surrey GU21 1HG.



Management Selection Division

Project Accountant

Exeter Car + Subsidized Mortgage

The London and Manchester Group is an established and progressive Financial Services organization with assets under management in excess of £1 billion.

With our continuing diversification into new activities we are looking for an experienced and qualified accountant who will be our Accounting Projects Manager. With responsibility for a wide range of ad hoc projects and investigations of a financial nature, this key role will report directly to the Assistant General Manager (Accounting Services).

The person appointed will be an FCA or FCCA with broad post-qualification experience encompassing taxation, financial/investment matters and both clerical and computerized accounting systems.

Please telephone for an application form on (0392) 52155, Ext 2425 or write to Charlie King, Personnel Services Division, London and Manchester Group plc, Winslade Park, Exeter EX5 1DS.

London and Manchester Group plc

ASSISTANT CHIEF ACCOUNTANT

To £20,000 + Banking Benefits

We are the expanding and profitable UK subsidiary of the Bank Leumi Group. Due to the continuing increase in business we have created the new position of Assistant Chief Accountant.

Reporting to the Chief Accountant, your team will be responsible for the production of management and statutory accounts to demanding deadlines.

To be successful, you will most likely be a qualified accountant aged 26 to 35. You will have banking (or related) experience. A knowledge of taxation and computerised systems is desirable.

Please respond to:

Brett Hollins
Personnel Manager
BANK LEUMI (UK) PLC
4/7 Woodstock Street, W1A 2AF

bank leumi בנק לאומי



Accountancy Appointments

Financial Controller

c£25,000 + Car South East Midlands

This is a high technology subsidiary of a major UK Group with products and further development programmes which address several very large international markets. A major expansion of these businesses is underway and a high growth is expected through the late 1980's and beyond.

The Financial Controller will be responsible for maintaining the effectiveness of a comprehensive finance and accounting function (staff of 20); providing key business input on pricing decisions, cost analysis, capital and development appraisals and results reporting; establishing an effective relationship with local general management and the Group; and managing the DP function.

Applicants should be graduate accountants aged early-mid 30's with relevant recent controllership experience. The maturity to be effective in a stand alone situation, together with the sense of humour and skill to manage people and information under pressure are essential requirements. Success in this role will open up important opportunities across the Group. Relocation assistance is available as required.

Please apply in confidence, quoting ref. L223 to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place, Strand
London WC2E 7EB
Tel: 01-240 7805

**Mason
& Nurse**
Selection & Search

Managing Consultants

Central London
c£30,000 + Car

Our client is the Management Consultancy division of one of the 'Big Eight' firms of Chartered Accountants. They now wish to strengthen their team by the appointment of two Managing Consultants within their financial management systems and public sector consultancy divisions. For both positions, candidates must have a minimum of 3 years previous consultancy experience in an environment that demands high professional standards. Candidates for the financial sector position must be qualified accountants. Line management experience in commerce, industry or the public sector is critical together with the proven ability to market and develop consultancy services.

Candidates must also have a cost conscious approach to problem solving and the potential to progress through the organisation to a senior management or partnership position. Please write stating any organisation to whom your details should not be forwarded and enclose a full resume quoting reference 109 to, Nigel Hopkins FCA, 97 Jermy Street, London SW1Y 6JE.

**Cartwright
& Hopkins**

FINANCIAL SELECTION AND SEARCH

Financial Controller - Merchant Bank

Our client, the Merchant Banking operation of a leading international bank, is seeking a Financial Controller, who will report to the Finance Director.

The Merchant Bank offers investment management, stock broking and a wide range of investment banking products.

Ideal candidates will have gained sound experience in:

- * operating and developing financial accounting and statutory reporting systems, in a high transaction environment
- * management accounting in a multi product business
- * developing internal controls in a start-up or fast expanding situation.

Applicants will be Chartered Accountants, probably aged between 30-40 years with a well developed sense of commitment and personal motivation. Remuneration, including mortgage subsidy, profit-share and a car will reflect the importance of this position.

Applications should be made in confidence to The Managing Director

Tanstead Associates Ltd

Executive Search & Selection
West End House, 11 Hills Place, London W1R 1AG

a member of the Tanstead Professional Group

Chief Financial Executive

London
c£35,000 + car and benefits

Our client, successful and expanding, whose main activities include distribution, warehousing services and manufacturing, wishes to appoint a commercial yet professional accountant of proven ability to this key position.

Reporting to the Chief Executive, the successful applicant will, in addition to total responsibility for all aspects of the finance and accounting functions, actively participate in the continuing formulation and implementation of the business strategy which may well include a flotation within the next few years.

Applicants aged 35 to 45, will be Chartered Accountants with at least 7 years post qualification experience of which the last 2 or 3 years must have been at senior level within a developing organisational environment. They must be well organised, systematic, adaptable and capable of adopting a high profile at an early stage in order to develop further, in this senior managerial role.

The importance of this appointment will be reflected in a competitive salary of not less than £35,000 per annum whilst other benefits will include a fully expensed

quality car, pension and medical schemes and 5 weeks holidays per annum. Relocation costs will be refunded should the preferred applicant require to move home to take up this appointment.

Candidates can apply in confidence enclosing a full CV and current salary and quoting reference MCS/7193 to Michael R. Andrews, Executive Selection Division Price Waterhouse Management Consultants No. 1 London Bridge London SE1 9QL

Price Waterhouse

Commercially-minded Accountants

... to help manage new business centres

London and Nottingham

Boots The Chemists have restructured and created a number of separate market related business centres, offering excellent career opportunities for commercially-minded accountants, whose motivation is very much profit-driven.

You will work closely with both your Business Centre Manager and the Finance function. Your main responsibilities will be to provide an efficient management accounting service and take a key role in the direction, development and profitable operation of the business.

Probably in your late twenties or early thirties, you

must be a qualified accountant with a proven record of success within a commercial environment. Experience of retailing would be a distinct advantage.

Salaries will vary according to location and experience and there is an excellent benefits package which includes profit sharing bonus and generous assistance with relocation expenses, where appropriate.

Please write enclosing c.v. and details of current salary to Mrs E. M. Durrance, Senior Employment Officer, The Boots Company PLC, Station Street, Nottingham NG2 3AA. Tel: Nottingham (0602) 506255.



The Boots Company PLC

Group Financial Controller

Home Counties to £25,000 + car

Our client is a dynamic group with interests in property and corporate communications. Due to consistent and rapid expansion, it seeks to appoint a Group Financial Controller.

The position will carry responsibility to a main board director for all accounting, finance, tax planning and systems development throughout the group. The person appointed will also play a key role in implementing the group's plans for further acquisitions and for a stock market flotation within three years.

Candidates, aged about 30, must be qualified accountants and preferably have MBA's. Experience could have been acquired in the profession or in commerce and should ideally include working in the property or communications sectors.

Please write in strict confidence, quoting reference F6061, to Robin Gorringe at 25 New Street Square, London EC4A 3LN.



Clark Whitehill Consultants

Executive Selection

Finance Manager

Board Prospects

Central London c£22,000

Our client is a long-established but rapidly expanding international trading company concerned with a range of specialist industrial and consumer products. Annual turnover is about £50 million.

Reporting to the Managing Director, the man or woman appointed will have responsibility for all aspects of financial management in the UK and overseas, and for the effective administration and development of the IBM-based computer systems.

Probably aged less than 40, suitable candidates will be qualified accountants with a variety of experience in the profession, industry or commerce and the maturity and strength of personality to make a substantial contribution to the management of the business. Fluency in French would be a considerable advantage.

Please write in confidence to Neil Cameron, quoting ref. N559, at 11 Gough Square, London EC4A 3DE (telephone 01-583 3911).

**Chetwynd
Streets**

Management Selection Limited

FINANCIAL DIRECTOR DESIGNATE

DESIGN CONSULTANCY
WEST END TO £25,000

Exciting, rapidly expanding, fast-moving all describe this creative design organisation. Well placed for continued growth, the company now looks to recruit a chartered accountant to head the accounts function and become increasingly involved in the day-to-day operating decisions.

Reporting to the board, and if successful joining it, the Financial Director designate will be responsible for implementing effective financial control and for further developing computerised reporting and forecasting systems.

Experience within industry or at manager level within the profession is necessary, although knowledge of the specific business area is not. Above all, however, empathy with the 'marketing world' and well-developed management skills will be looked for.

If you feel that you could contribute to the continuing success of this organisation please write with details of your career to date to Alexander Ashworth at

Jamieson & Scott

MANAGEMENT SEARCH

One, The Royal Arcade, 28 Old Bond Street, London W1X 4BT.

Financial Controllers

Several UK Locations Up to £20,000 + Co. Cars

A well known, international company currently establishing a network of new business enterprises throughout the UK, our clients wish to recruit an ambitious, qualified Accountant at each centre.

Controlling the business alongside their dynamic management teams will involve you in decision-making of the most exciting order! Whilst ensuring that systems, controls and reporting meet the professional criteria set by Group Headquarters, your main objective will be to bring

commercial strength and increased profitability to your division.

Business acumen gained in a marketing-orientated, manufacturing enterprise will be looked for in candidates with obvious mental agility and excellent communication skills.

If you're looking for real accountability—and a package to match—telephone or write to Executive Recruitment Advisory Services, Tel. 0803 619287, quoting reference no. 3/86.

ERAS

Executive Recruitment Advisory Services,
16 Thorpe Road, Norwich, NR1 1RY

DIVISIONAL FINANCE DIRECTOR (Manufacturing)

East Yorkshire Region £22,000 + car etc.

This key appointment is with a major trading division of a substantial plc. operating within the UK and overseas.

Reporting to and working closely with the Managing Director, the successful candidate will accept total responsibility for the financial management of the division and in particular have a sound understanding of, and the ability to communicate the needs of the company in terms of the implementation of more highly sophisticated costing and management information systems.

The opportunity will be of particular interest to a qualified accountant (Probably ACMA) with a successful career profile to date gained within a commercially demanding process/manufacturing environment. The ability to advise and influence the commercial decision making policies of the company is an important pre-requisite. Re-location expenses will be met where appropriate. Please apply in the first instance to Brian Daniels, (Managing Director), Daniels Bates Partnership Ltd, Leeds Office, Tel: (0532) 461671.

**Daniels
Bates
Partnership**

PROFESSIONAL RECRUITMENT

Daniels Bates Partnership Ltd., Joseph Well,
Haworth Walk, Park Lane, Leeds LS3 1AB.
Tel: (0532) 461671 (9 lines 24 hours).
Also at Fountain Precinct, Leopold Street Wing,
Sheffield S1 3GZ. Tel: (0742) 754015

FINANCIAL CONTROLLER

West End of London £20,000 plus car

Old established and rapidly expanding firm of Chartered Surveyors require a Chartered Accountant.

He/she will be 28-35 years old and thoroughly experienced in computerised accountancy systems.

Reply in confidence to:
The Managing Director
Folkard & Hayward (Services) Ltd
20 Crawford St, London W1

Folkard & Hayward

Accountancy Appointments

Special Project Accountant

Unique opportunity to play key role to £28,000 + car + bonus City based

As part of its rapid growth in financial services, our client is building a dynamic and professional team to be a market-maker in gilt-edged securities after Big Bang. To play a key role in this development they require a Special Project Accountant.

You will need to be a qualified accountant, with experience of computerised systems within a project/assignment orientated environment and will probably be aged in your late twenties or early thirties. You may currently be with a leading

management consultancy or in the securities industry, or in other areas where you will have had exposure to high-tech innovative systems.

The prime requirement is for a dynamic young accountant who is able to demonstrate his or her ability to communicate, summarise, conceptualise and with commitment and enthusiasm to be at the forefront of financial services.

The package being offered reflects the importance our client places on finding the right person and includes

an excellent base salary, performance bonus, car, mortgage subsidy, non-contributory pension and BUPA.

If you are prepared to accept this challenge and are keen to make a major impact within a new and fast growing environment, please send full CV, quoting reference MCS/6087 to Alannah Hunt, Executive Selection Division Price Waterhouse Management Consultants No. 1 London Bridge London SE1 9QL.

Price Waterhouse

Financial Director (Designate)

South Coast

Our client is offering an exceptional and challenging opportunity to participate in a management buy-out. A proven team of operational, commercial and engineering managers is seeking a senior financial executive to play a central role in the transition of a major transport corporation subsidiary into a private company.

Headed by a team of 35, the Financial Director (Designate) will be responsible for all the financial, administrative and company secretarial aspects of this £16m turnover business. Strong financial input will be vital to the success of the buy-out and lead to the development of new management information systems. Key responsibilities will include the preparation of management and statutory accounts, planning and budgeting, the production of costing information and appraisal work.

Candidates should be qualified accountants, preferably chartered, aged between 30 and 45 with a proven track record, ideally gained in the transport sector. Experience of computerised accounts is essential, as are good man-management skills, commercial awareness, drive and determination. Strong communication and administrative skills will enable the ideal candidate to contribute effectively to the development of the company in a period of rapid change.

Please reply in confidence, giving concise career, salary and personal details quoting Ref. ER869 to: Michelle Wilkin, Executive Selection, Arthur Young Management Consultants, Folke House, 7 Follis Buildings, Fetter Lane, London EC4A 3TH.



Arthur Young Executive Selection

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

Accountant to assist in Finance and Insurance

London c£18,000 +

The worldwide organisation of Price Waterhouse, through its practice firms, provides independent accounting, management and tax consultancy and other related services to a wide range of clients in over 300 offices in 98 countries worldwide. Price Waterhouse World Firm co-ordinates the plans and activities of each of these practising firms. There is a full-time staff of some 50 people who assist the firms in developing and initiating their long-range plans and who provide practice support. Responsibilities of the full-time staff are wide and there is a need for a young

accountant to assist the senior manager responsible for finance and insurance. Initially the job-holder will be involved in all aspects of the accounting function of the World Firm. Once established he/she will also be expected to assist with the various worldwide insurances arranged through the World Firm. Ideally qualified and under 30, candidates must have some experience of producing financial accounts and reports to tight time schedules. In addition, they must be prepared to spend time in a 'hands on' computing role. Experience in

developing computer applications would be helpful but is not essential. Prospects within Price Waterhouse are excellent, the benefits include a contributory pension scheme, medical insurance and an attractive starting salary.

Please apply enclosing a full CV, indicating current salary and quoting reference MCS/5061 to: Barrie Whitaker, Executive Selection Division Price Waterhouse Management Consultants No. 1 London Bridge London SE1 9QL.

Price Waterhouse

FINANCIAL CONTROLLER VIRGIN VISION

London

c£20,000 + car

This is a new position with the rapidly expanding film, video, TV and publishing Division of the Virgin Group.

Reporting to the ED, responsibilities will include providing management and financial information for the U.K., the preparation of budgets and forecasts and some special project work. Prospects for advancement within the Group are exceptional.

Candidates, male or female, will be qualified accountants aged 27-32 with good all round experience, some ideally gained in a volatile sales and marketing environment. Well developed management skills and sound micro computer experience are essential, as is a lively and enthusiastic personality.

Please write, enclosing a full C.V., to Deborah Sheery at our London address, quoting reference number 1020/6846.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
163a Bath Street, Glasgow G2 4SQ. Tel: 041-226 3101
India Buildings, Water Street, Liverpool L2 0BA. Tel: 051-237 1412
113/115 George Street, Edinburgh EH2 4JH. Tel: 031-228 7744
Brook House, 77 Fossildale Street
Manchester M2 2ER. Tel: 061-236 1533

DOUGLAS LAMBIAS
Douglas Lambias Associates Limited
Accountancy & Management
Recruitment Consultants



If you are an Accountant who relishes a challenge and your experience includes involvement with computerised systems in a commercial or manufacturing environment, our client can give you the scope to implement your ideas during a period of intensive growth in their activities both in the UK and Europe

COMPANY ACCOUNTANT

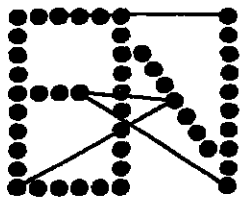
To £19,500 + Car + Benefits London/Essex borders

The company is a market leader in office products with a unique product range manufactured at a modern plant in Essex and sold through distributors in the UK and continental Europe. To capitalise on its strength, the company is committed to a significant phase of expansion during which it is essential that comprehensive financial control and reporting systems are established and maintained.

We seek an enthusiastic individual, preferably qualified, who will be capable of controlling a small department responsible for the day-to-day accounting and cash management functions together with the implementation of a range of sophisticated computer based control systems. The ability to establish new disciplines where none have existed before is important.

Applicants should write or telephone, in complete confidence, Brian Kemp at Executive Network or evenings or weekends on 01-577 2734.

EXECUTIVE NETWORK
(CONSULTANTS) LIMITED
19, BEDFORD ROW,
LONDON WC1R 4EB
01 831 8202
01 831 9458



Money Broking

Ambitious Young Accountant

Our client is one of the worlds leading international money broking groups. With a strategic presence throughout the world, the group offers a comprehensive and competitive range of broking services to meet the complex needs of todays fast moving money markets.

Following recent expansion, the company wishes to strengthen the group accounting function and is seeking to recruit an ambitious young accountant. A key member of a small professional team, duties will include all aspects of financial and management accounting, budgeting and forecasting, with an emphasis on developing new systems to meet changing business requirements.

Candidates will be qualified accountants in their mid to late 20's with the potential to grow and develop within the role. Previous experience gained either within, or through auditing, the financial services sector will be an advantage.

Location: City of London.

Remuneration: c£18,000 + benefits.

Please reply in confidence to: Joanna Corr (ref 8892).



Thomson McLintock
Management Consultants
70 Finsbury Pavement London EC2A 1SX

Management Accountant (R&D)

LONDON

up to £19,500

British Gas Headquarters is responsible for all Research and Development activities within the Corporation as well as exploration and gas transmission control systems.

We now require a qualified accountant with a working knowledge of both mainframe and micro-computer applications to join our team of accountants responsible for providing a full management accounting service to all Headquarters Divisions.

You will be responsible for the operation and development of management accounting services to the Research and Development Division. Some travel within the United Kingdom will be involved.

You will also be expected to have a high degree of involvement in future computer system developments within the Department, using both mainframe and micro-computers.

Starting salary will be on a range £17,133 to £19,557, including Inner London Weighting, according to qualifications and experience. Benefits are those normally associated with a large progressive organisation.

To apply, please write with full personal and career details, quoting ref: FN/00035/026, to: Senior Personnel Officer (HQ Services), British Gas, 59 Bryanston Street, London W1A 2AZ. An equal opportunities employer.

British Gas

Financial Director (Designate)

Macro-Marketing Limited is an outstandingly successful electronic component distributor (1985 turnover £37m), based in Slough and fully computerised.

We are seeking an imaginative and commercial person to succeed our present F.D. on impending retirement. The position involves:

- Managing an accounts and credit control department of 20, handling a high volume of transactions
- Reporting on profitability and financial control to the Managing Director and to the holding company, Diploma PLC
- Ensuring that the finance function positively contributes to the selling ability of the company

The successful candidate is likely to be a graduate qualified accountant with several years industrial experience, preferably in distribution, aged 30-45. An attractive remuneration package is available.

For further details please write with c.v. to:

A. M. R. Parkinson F.C.A.
Director, Diploma PLC
20 Bunhill Row, London EC1Y 8LP

Accountant

up to £20,000 pa

An established and expanding High-Technology Consultancy Company in Cambridge is offering an excellent opportunity for a fully qualified accountant. This is a new appointment which has arisen from the need to monitor and control the Company's expansion and from the continuing demand for improved profitability.

Candidates should have effective business decision making skills in addition to a thorough technical training and professional standing in accountancy. Ideally, the candidate should have a

scientific background coupled with commercial flair. A flexible attitude, the ability to work under pressure and within a team environment are all essential to fit in with the existing Company.

The successful applicant will be awarded a competitive salary package including a profit share.

To apply, please send your Curriculum Vitae to Geoffrey King, Managing Director of Cambridge Recruitment Consultants, quoting reference A/GK.

This appointment is open to both men and women.

Cambridge Recruitment Consultants

1a Rose Crescent, Cambridge CB2 3LL. Telephone: 0223 311216.

DIRECTOR OF FINANCE

London

Excellent Neg Package + Equity Participation

Our client company is a new and exciting venture which, after thorough market appraisal resulting in multi-million pound syndicated investment approval, now seeks to build an outstanding senior management team in order to realise planned rapid growth.

Certain key appointments have already been made, and to join these executives a qualified accountant, reporting to the Chief Executive, is now sought to join the Board. He/she will presently be a financial controller or director of a fast moving and highly commercially orientated organisation, preferably contract orientated, and will be familiar with all aspects of finance, and financial and management accounting controls, within a 'high growth' industry.

The company recognises that a suitable remuneration package must be offered to the right appointee, enhanced by an equity participation scheme among other attractive benefits.

Candidates please write in confidence to David T Bentley, Senior Consultant, 3i Consultants Limited, 5 Victoria Street, Windsor, Berkshire SL4 1EZ, or telephone Windsor (0753) 867175 (24 hour confidential reply service) for further details and an application form, quoting DB/604.



3i Consultants Ltd
Human Resources Division

Accountancy Appointments

Regional Finance Directors

Europe and Asia Pacific

Our client is a substantial PLC with interests in food, catering and support services, engineering and construction supplies around the world. A recent reorganisation of the Group Management structure has created the need for two new Finance Directors for the Group's European and Asia Pacific operations.

Finance Director, Europe Surrey based £22-25,000 + car, etc.

Reporting to the Regional Director, you will be responsible for all financial matters concerning the operating units in the UK and Europe. This will include overall co-ordination and responsibility for reporting, budgeting, control and consolidation in the region. In addition, you will review new business development opportunities which are expected to arise in the near future and you will deputise for the Regional Director when necessary. It is essential that you have the depth of experience and character to make a valuable contribution of a senior level to a varied and expanding business. Knowledge of a second European language would be an advantage. You will be located in an attractive rural location South of London. Terms include a non-contributory pension and fully expensed car.

Finance Director, Asia Pacific Region Singapore based Competitive Terms

Reporting to the Regional Director, you will be responsible for providing full financial support and management for a range of business activities in Australasia, the Far East and South East Asia. Day-to-day responsibilities are the same as those for the European position.

In addition to a sound depth of knowledge and character, we seek a person who has significant and relevant experience ideally gained in the region and can demonstrate an ability to deal well with people and issues arising from widely differing cultures and backgrounds.

Candidates must be qualified accountants in the age range 30-36. Both of these positions offer candidates of the right calibre excellent longer-term prospects for advancement within a worldwide Group. Please send a detailed c.v. including daytime telephone number in strict confidence to Iain Laird at Management Appointments Limited (Search & Selection Consultants), Finland House, 56 Haymarket, London SW1Y 4RN Tel: (01) 930 6314.

MAL
Management Appointments
Limited

Audit manager - Europe

Berkshire based, c£25,000



For a major US multinational, one of the market leaders in the mini and micro computer and distributed data processing fields. The corporation has operations throughout most of Western Europe.

Reporting to the European Internal Audit Manager, you will have full operating responsibility for the co-ordination, management and completion of all assigned financial and operational audits. Additionally you will have responsibility for audit group, schedules, plans and programmes. Extensive travel will be involved, principally within Europe.

A qualified accountant aged around 30 you will already have experience of managing audits with a major international accounting firm or with an international industrial company. A working knowledge of French or German would be useful as would experience of foreign exchange and US accounting practice.

The position offers good opportunities to move into senior financial management posts in Europe.

Résumés including a daytime telephone number to Torrance Smith, Executive Selection Division, Ref. 5520.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Shelley House 3 Noble Street
London EC2V 7DD

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\$1,000,000+

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Primary strength Benelux
Write Box A0185, Financial Times
10 Cannon Street, London EC4P 4BY

FINANCE & ADMINISTRATION MANAGER

Warrington
c.£30,000 + benefits

This is the senior financial position within a fast expanding, high technology U.S. company. We are Applied Biosystems, world leaders in the development, manufacture and marketing of biochemicals and automated instruments for use in biochemistry, molecular biology and biotechnology research.

Our European headquarters are based in Warrington, covering direct operations in the U.K., West Germany, France and soon, Italy, plus our distributor network in Europe, the Eastern Bloc, Africa and the Middle East. We are a financially sound company in a rapidly growing market place.

The ideal candidate for this key role in our organisation will be a qualified accountant in his/her thirties. You should have previous experience of international operations in a dynamic, fast changing business. (A second language capability would be useful). You will be technically competent on all financial matters and have a strong commercial awareness which will enable you to make a significant contribution to the future development of the company and our marketing operation. You will be both a practical accountant and a team player, able to roll up your sleeves to meet tight deadlines. You must be an able communicator due to the international aspects of this position.

If this sounds like you, and you would relish the challenge we can offer, please send a curriculum vitae showing current salary, availability and a daytime telephone number to our consultant, Bob Armstrong ACIS at 2 Booth Street, Manchester M2 4AG.

Robert Armstrong & Company
Search: Selection: Psychometrics

SENIOR FINANCE AND BUSINESS MANAGEMENT EXECUTIVE

MOTOR INDUSTRY c £35,000 pa + benefits

- ★ An internationally connected group recognised in the UK as a major force in the retail motor industry.
- ★ The person appointed will bear the responsibility of devising, implementing and controlling the financial and business management principles and practices across a nationwide network of dealerships.
- ★ He/she will be a qualified Accountant aged 30-40 years, with extensive relevant experience gained in a well-recognised and substantial retail motor group at the most senior level.
- ★ Substantial negotiable rewards package including relocation costs to the central home counties where necessary.

For further information send a brief but meaningful c.v. to Brian Hodges acting as adviser to the company at the address below or telephone Epsom (03727) 4311 for an application form.

Resource & Development Ltd.

SEARCH • SELECTION • APPRAISAL • TRAINING
RESOURCE HOUSE, 8A HIGH STREET, EPSOM, SURREY KT19 8AD

Financial Controller

An opportunity for a young qualified accountant to "run your own show" in a small growth company, part of a leading international group.

Cheshire £20,000 + Car

This post should be attractive to qualified accountants in their mid to late 20's (possibly early 30's) keen to assume company wide responsibility for the Finance function. This almost certainly means moving from a large to a smaller company but in this case without losing any of the sophistication associated with 'blue chip' organisations.

Reporting to the Managing Director and as part of a senior management team you will nevertheless be required to lead from the front in a small department consisting of finance and systems support staff.

The company is a leader in its niche market and manufactures precision products for world markets. The parent company, which can provide future career progression opportunities, is a leading household name company, acknowledged for its progressive management approach.

You will need to demonstrate well developed all-round financial and management accounting skills ideally with experience relating to both manufacturing and marketing. We will also look for a reasonable standard of computer literacy. You should also offer a business and personal maturity to match the requirements of this position. Relocation assistance is available together with an attractive range of major company employment conditions.

Interviews will be conducted in Manchester and London. Applicants of either sex should apply in confidence on (0962) 53319 (24 hour service) or write to Network Selection, Ludgate House, 107-111 Fleet Street, London. EC4 2AB. quoting ref 683.

Network Selection
Management Recruitment Consultants

Young Financial Controller

Property Development

London c£18,000 + car

This is an exciting opportunity to join one of the UK's leading Property Developers. Based in Mayfair and reporting to the M.D., the postholder will be responsible for the total financial and management accounting functions. Additional responsibilities include contributing to the commercial direction of the Company and identifying and negotiating with the providers of finance for development projects. Ideally, candidates

should be Chartered Accountants aged 25-35 years with a keen entrepreneurial sense of business and the ability to manage the financial function. This appointment offers excellent career opportunities within a "blue-chip" multi-national group of companies with diverse worldwide activities.

Applicants, quoting reference M2661, should forward complete career details in confidence to Brian Codd.

Roland Orr & Partners
Management Consultants

12 New Burlington Street London W1X 1FF Telephone 01-439 6891

Manager Business Analysis

London c £17,000 plus Banking Benefits

Forward Trust, a leading Finance House within the Midland Bank Group, seeks a qualified graduate accountant for a key role in strategic planning.

As a member of a small dedicated team, the successful candidate will have specific responsibilities for business analysis, in particular competitor reporting, product development, new business initiatives and a wide range of corporate assignments. Highly developed analytical skills based on sound commercial experience are essential.

Please write, enclosing full C.V. to: Mr J Gittins, Forward Trust Group, Heron House, 145 City Road, London EC1Y 1LP.

FORWARD TRUST GROUP
A member of Midland Bank Group

Financial Controller

Circa £30,000 + car Oxford Based

The Oxford & Swindon Co-operative Society is a progressive retail organisation with a group turnover in excess of £100 million. In recent years we have carried out a substantial programme of diversification, developing our base to supplement traditional co-operative retailing with a number of subsidiary companies which operate prestige car franchises and retail household electrical appliances. The Group has extensive computer facilities including mainframe and point-of-sale terminals.

Due to retirement, we are seeking to appoint a Financial Controller who will head up the financial function and be expected to play a key role in our future developments.

We are looking for a qualified accountant with at least five years' relevant experience aged 30-45, who communicates well and who can effectively assess our commercial needs. A retail background would be advantageous. The appointment will be based in Oxford and assistance will be given with relocation if required.

The package also includes contributory superannuation, free life assurance and staff discounts throughout the Group. Write in confidence with a full C.V. to:

Group Personnel Manager
Oxford & Swindon Co-operative
Society Limited
P.O. Box 21

Oxford & Swindon Co-operative Society Ltd.

Registered Office
65 George Street
Oxford
OX1 2BG

Financial Controller

RETAIL FASHION
CENTRAL LONDON

circa £17,500 + CAR + BENEFITS

Required for a rapidly expanding retail fashion chain, a self-motivated Accountant (preferably qualified) to take control of all financial accounting and reporting functions. Supervising a well organised Accounts Department and reporting directly to the Managing Director. The successful applicant will be aged between 28-40, previous retail experience will be an advantage.

Write with full details and CV to:
Box A0178, Financial Times
10 Cannon Street, London EC4P 4BY

ACCOUNTING IN THE CITY

Financial Controller to £35,000 + Bank Benefits

If you are a graduate ACA, aged 28-36 who is accustomed to achievement, and now seeking a senior managerial role at the head of a committed accounts team, then a rapidly developing international merchant bank would like to hear from you. P5W0014

Treasury Role £21,000+ The investment and control of resources in precious metal stocks will be your initial responsibility. You will be an ACA or MBA looking to develop a career in Treasury Management. RWS0228

Strategic Planner £23,000

A significant City group seeks an experienced planner to pioneer policy development within a highly sophisticated computerized environment. Offering excellent City experience, you are probably an ACA/MBA or an Economics graduate. RW0225

Group Finance Executive £20,000 + Bank Benefits

An ideal entry role into a leading merchant bank for graduate ACA (25-28). Working closely with the Group Finance Director you will gain a broad perspective of banking operations. SW0227

Management Personnel
Recruitment Selection & Search

10 Finsbury Square, London EC2A 1AD.
Telephone: 01-256 5041 (out of hours: 0306 880012)

PA. to Group F.D.

Surrey £20,000 + Car

Our client, a high technology group, has consistently grown at 40% per annum over the last 5 years. Profits this year increased 60%. Due to promotion they now seek an Assistant to the Group F.D. Previous incumbents of this role have all become Controllers or Business Managers of emerging profit centres.

Initially group financial management activities will include: TREASURY, ACQUISITIONS, FUNDING OF NEW VENTURES and FINANCIAL CONTROL.

Newly Qualified from a City or provincial practice you should have had exposure to sophisticated financial control techniques.

For an immediate interview call BILL CURTEIS on 01-242 6321.

Personnel Resources 75 Gray's Inn Road London WC1X 8US

Personnel Resources
Commercial & Industrial Division

Showing the way in army systems

FERRANTI

SECTION II - COMPANIES AND MARKETS

FINANCIAL TIMES

Thursday June 26 1986

WOLSELEY - From Leeds to Louisiana we're growing from strength to strength

Naarden scents profits shortfall

By Our Financial Staff NAARDEN, the Dutch flavours and fragrances group which claims fourth place in the worldwide industry, does not expect to achieve the 5 per cent profits growth in 1986 it previously forecast.

Mr J.G.L. Verdurmen, the group's finance director, told financial analysts in London yesterday that the company's performance would suffer from the continuing strength of the guilder against the dollar and from a probable reduction from budgeted levels of exports to several oil-producing countries, including Iraq and Indonesia.

He gave no details of financial performance so far this year. Naarden is confident in the longer term growth of sales and profits, Mr Verdurmen said, despite a weakening in the rate of growth in the international flavours and fragrances market during the past few years.

However, he warned that it might take several more years to achieve the company's objective of a 4 per cent after-tax return on sales. In 1985, when Naarden earned Ft 22m (\$8.8m) on sales of Ft 682.8m, its return on sales was 3.3 per cent against 3.2 per cent in the preceding year.

Mr Verdurmen said that among other factors weighing on margins was the increasing shift towards natural flavourings as against synthetic. In order to maintain its position in the market, Naarden would continue to invest heavily in research and development.

He predicted that there would be considerable scope for rationalisation in the \$3bn-a-year world flavourings and fragrances industry. Naarden, however, believed strongly that the industry was better suited to medium-sized independent companies than to large diversified groups.

In order to protect itself against hostile bidders, Naarden is taking a series of defensive measures.

Murdoch expected to announce sale of Chicago Sun-Times

By PAUL TAYLOR IN NEW YORK

MR RUPERT MURDOCH'S News Corporation is expected to announce the sale of the Chicago Sun-Times within the next few days in a leveraged buy-out deal led by Adler & Shoykin, the New York leveraged buy-out specialists, valued at around \$130m.

The newspaper, which was acquired by News Corp in 1984 for about \$100m from Field Enterprises, has been on the auction block since Mr Murdoch indicated he would satisfy US Federal Communications Commission (FCC) requirements related to his purchase earlier this year of six television stations from Metromedia for \$1.55bn.

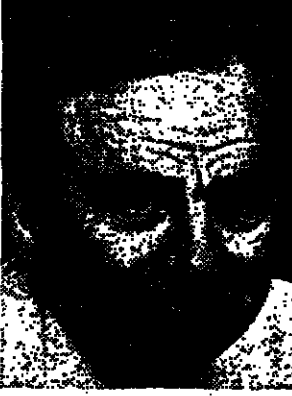
Australian-born Mr Murdoch plans to use the six television stations as the basis for a new nation wide television network, including WTLD-TV in Chicago.

FCC rules prohibit the ownership of newspapers and television stations in the same market. News Corp, which must also sell the New York Post newspaper, was granted a waiver of two years by the FCC to sell the newspapers.

Details of the proposed Sun Times sale remained sketchy yesterday. However, Mr Robert Page, the newspaper's publisher and president, confirmed that discussions on the deal had taken place.

It is understood that the newspaper assets and building will be sold to a group of investors led by Adler & Shoykin, which is also expected to include members of the newspaper's management, including Mr Page and Mr Donald Piazza, executive vice-president.

The New York-based Equitable Life Assurance Society of the US is also expected to be involved in the deal, with financing supplied by Citicorp.



Mr Rupert Murdoch

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The New York-based Equitable Life Assurance Society of the US is also expected to be involved in the deal, with financing supplied by Citicorp.

Paris agrees Fiat, Matra link

By PAUL BETTS IN PARIS

THE French Government has given its tacit approval to Fiat, the Italian car company, and Matra, the French state-controlled defence and electronics conglomerate, to merge their car components manufacturing activities into a new industrial group employing 20,000 people and with annual sales of about FFr 7bn (\$868m).

The French Treasury had 60 days to review the proposals of Fiat and Matra to merge their car components businesses into a new French-based company, 65 per cent held by the Italian company and 35 per cent owned by Matra. By raising no objections and making no

comment at the end of the 60-day review period this week, the government has given a tacit go-ahead to the deal.

However, Fiat and Matra still have to finalise the financial aspects of the transaction, which is also likely to be further delayed by the government's privatisation plans for Matra. Indeed until the government's privatisation bill is approved by parliament, it is unlikely that Matra and Fiat will be able to constitute the joint venture.

The Fiat-Matra car components venture follows recent French Government approval for Mr Carlo De Benedetti, the Italian entrepreneur

and chairman of Olivetti, to take over the management control of Valeo, the large French car components group.

The two separate deals have now given Italian interests a dominant role in the French car components sector. This has worried the two French car makers, Renault and Peugeot, which have both asked for guarantees from Fiat and from Mr De Benedetti to safeguard their interests.

Matra will bring to the new venture with Fiat its Solex carburettor and its Jaeger dashboard instruments subsidiaries. Between them, these companies had sales of FFr

2.5bn last year. Solex had a net loss of FFr 104.2m last year, while Jaeger returned to the black with a slim profit of FFr 3.9m last year.

Fiat will contribute to the venture its Veglia-Borletti dashboard instruments business with sales last year of L435bn (\$284m) and its Weber carburettor subsidiary with sales of L465.5bn last year. The venture will also include Fiat's small electric and electronic cable subsidiary Cavis.

The venture is designed to give the components businesses of Fiat and Matra the necessary European dimension to compete in an increasingly tough international market.

Canadian shopping merger

By Bernard Simon in Toronto

TRIZEC and Bramalea, two leading Canadian property developers, are to merge their shopping centre interests, creating a new company with 36 centres across Canada and assets of about C\$1.4bn (\$1bn).

The deal will raise Trizec's shareholding in Bramalea from 34 per cent to almost 55 per cent, rising to 65 per cent on conversion of a Bramalea debenture held by Trizec.

The largest shareholders in Trizec are the Toronto branch of the Bronfman family - who have wide interests in financial services, consumer products and real estate - and Olympia and York, the Toronto-based real estate developer.

Trizec and Bramalea said that they had initiated the merger to achieve the benefits of "one unified, cohesive operating entity." Shareholder approval is still required.

In the first step of the transaction, a new Trizec subsidiary will buy Bramalea's Canadian shopping centre assets for about C\$50m. Bramalea will be entitled to acquire full control of the new entity. It will finance the purchase by issuing 18.5m new shares at C\$25 a share, and by raising C\$150m in debt.

Krupp expects year-end rise in profits despite lower sales

By PETER BRUCE IN BONN

FRIED. KRUPP, the West German steel and engineering group, has reported a dramatic collapse in turnover in its important trading and services division in the first five months of this year, leading to an overall decline in group sales of nearly 2 per cent to DM 6.2bn (\$2.78bn) on the same period in 1985.

Krupp's chairman, Dr Wilhelm Scheider, said that he still expected the group this year to improve on the 15 per cent rise in net profit, to DM 124m, recorded in 1985.

He said a 23 per cent fall in turnover in the trading and services division had affected only trading, largely because of the fall in the value of the dollar against the D-Mark. Sales of special steels were also badly affected by the imposition in the US of import quotas. The stronger German currency had also hurt scrap metal sales.

Turnover in the trading division fell 16 per cent last year, but the group, demonstrating new strengths as a result of diversification and a stable steel market, was able to raise total turnover by 1 per cent to DM 18.4bn, despite an al-

most total retreat from its DM 1.9bn-a-year oil business in 1984. Dr Scheider has taken Krupp through a radical restructuring in the past few years, decentralising management of the group's main activities, including steel.

While there are activities that the group would probably prefer to abandon - shipbuilding and, possibly, the production of large diesel engines - Krupp seems content to remain in these areas while carefully acquiring, or taking stakes in a widening stream of smaller high-technology operations.

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BancTexas to get \$30m injection

By MARY FRINGS IN DALLAS

MR GERALD FORDE, the Dallas investor who controls 25 banks in Texas and New Mexico with combined assets of \$2.2bn, has come to the rescue of financially troubled BancTexas group with a \$30m infusion of capital.

Under the terms of a letter of intent signed yesterday with the 11-bank holding company, Mr Forde will gain two-thirds control of the BancTexas board, and its flagship

bank in Dallas will merge with his United National Bank.

BancTexas group is the 10th largest bank-holding company in Texas, with first-quarter assets of \$1.55bn, down from \$1.88bn at the same time last year.

It reported a \$3m loss for 1985 and primary capital dipped below the regulatory guideline of 5.5 per cent in the fourth quarter. In January, BancTexas announced that it

had retained Bear Stearns, the New York investment bank, to assist it in raising capital.

After selling some securities and realising a \$3m gain on the sale of a small subsidiary bank in Tyler, east Texas, BancTexas managed to boost its primary capital and show a modest \$378,000 profit for the first quarter of this year.

However, its non-performing loan ratio rose to 6.1 per cent.

Genstar assets 'will raise C\$800m'

By Robert Gibbens in Montreal

IMASCO, the tobacco products, fast-food and retailing group, expects to raise about C\$800m (US\$790m) net from the sale of the non-financial services assets of Genstar Corporation within the next two years, Imasco's chairman, Mr Paul Fore, said before the annual meeting.

The C\$2.6bn takeover of all the shares of Genstar is now being completed by Imasco, including payment of about C\$400m to Societe de Generale de Belgique, Genstar's largest single shareholder.

The deal includes Canada Trustco, Canada's seventh largest financial institution. Imasco has already split Genstar's cement and building materials, real estate and waste management businesses in Canada and the US into six or seven packages to be sold in a "controlled auction," mostly by the year-end.

Mr Fore said Imasco would be calling for tenders on all the packages in the next few weeks. The net cost of Canada Trustco to Imasco will be about C\$1.7bn.

Imasco has almost completed common and preferred share issues totalling about C\$545m and the current first-quarter of fiscal 1987 will reflect about C\$2bn of borrowings for the Genstar acquisition. "These will be reduced as the Genstar non-financial services assets are sold."

Mr Fore said tobacco products earnings would be lower this year because of widespread price discounting, but Imasco should increase its current 53 per cent market share. Cigarette sales were down overall about 5.5 per cent year-to-year in Canada, mainly because of higher taxes, but the decline appeared to be bottoming out, he said.

The fast-food business in the US was expanding and would do better, while distribution problems in the US drugstore chain should ease progressively during the year. Canadian retailing would improve.

Stora to build \$180m newsprint machine

By KEVIN DONE, NORDIC CORRESPONDENT, IN STOCKHOLM

STORA, Sweden's largest forest products group, is to build a newsprint machine at a cost of about SKr 1.3bn (\$180m).

The mill will have a capacity of 215,000 tonnes a year. Construction is expected to begin later this year and should be completed in 1988.

The machine will increase Stora's total newsprint capacity to around 615,000 tonnes a year, including 160,000 tonnes of magazine paper and 135,000 tonnes a year of improved newsprint. It will also allow Stora to close down three older newsprint machines with a total capacity of about 50,000 tonnes.

As part of the project Stora will increase its capacity for TMP (thermo-mechanical pulp) at its main Kvarnsveden newsprint mill to 330,000 tonnes a year from the current level of about 185,000 tonnes a year.

Philip Morris halts 7-Up sale to PepsiCo

By WILLIAM HALL IN NEW YORK

PHILIP MORRIS, the US tobacco and consumer goods conglomerate, has terminated its efforts to sell its Seven-Up soft drinks operation to PepsiCo, following last week's decision by the Federal Trade Commission (FTC) to challenge the deal.

Coca-Cola, on the other hand, has said that it plans to continue to pursue Dr Pepper in spite of the FTC move to block this transaction as well. However, Coca-Cola said it would not act until after the court hearing.

PepsiCo, whose \$380m bid for Seven-Up last January was followed by Coca-Cola's \$470m offer for rival Dr Pepper, said that it was disappointed by Philip Morris's action.

The two bids had sent the US soft drink industry into turmoil - because they would have given the two companies control of about 80 per cent of the US soft drinks market.

Philip Morris said that it had terminated the agreement with PepsiCo for the sale of Seven-Up's worldwide franchise beverage business. But the business is still up for sale and the vendor is also considering offers for those assets of Seven-Up not included in the agreement with PepsiCo.

These include 12 soft drink facilities in the US and Canada and Seven-Up's foods group, Ventura Coastal Corporation and Oregon Dry Foods.

PepsiCo said that it still believed that its planned merger would have revitalised the "great Seven-Up brand" and stimulated competition throughout the beverage industry to the benefit of customers everywhere. However, given the FTC action and Philip Morris's decision, it was unlikely to challenge the FTC in court.

THE BOC GROUP THE BOC GROUP plc £50,000,000 Sterling Commercial Paper Programme Dealers County NatWest Capital Markets S. G. Warburg & Co. Ltd. Issuing and Paying Agent National Westminster Bank PLC June, 1986

NEW ISSUE 25th June, 1986 UNY UNY CO., LTD. U.S.\$60,000,000 2 3/4 per cent. Bonds due 1991 with Warrants to subscribe for shares of common stock of UNY CO., LTD. Issue Price 100 per cent. Nomura International Limited, Banque Nationale de Paris, The Nikko Securities Co., (Europe) Ltd., Algemene Bank Nederland N.V., Baring Brothers & Co., Limited, Credit Lyonnais, Robert Fleming & Co. Limited, Kredietbank International Group, LTCB International Limited, Mitsubishi Finance International Limited, Nippon Credit International (HK) Ltd., Sanyo International Limited, Societe Generale, Tokai International Limited, Deutsche Bank Capital Markets Limited, Swiss Bank Corporation International Limited, Barclays Merchant Bank Limited, Citicorp Investment Bank Limited, Daiwa Europe Limited, Fuji International Finance Limited, Lombard Odier International SA, Maruman Securities Co., Ltd, Morgan Grenfell & Co. Limited, Sanwa International Limited, Shearson Lehman Brothers International, Yamaichi International (Europe) Limited

INTL. COMPANIES & FINANCE

All of these securities having been sold, this announcement appears as a matter of record only.

June 11, 1986

1,700,000 Shares

Lincoln
Foodservice Products, Inc.

Common Stock

- | | | |
|---------------------------------------|--|---|
| PaineWebber
Incorporated | Alex. Brown & Sons
Incorporated | Dillon, Read & Co. Inc. |
| Bear, Stearns & Co. Inc. | Goldman, Sachs & Co. | E. F. Hutton & Company Inc. |
| A. G. Edwards & Sons, Inc. | Lazard Frères & Co. | Merrill Lynch Capital Markets |
| Kidder, Peabody & Co.
Incorporated | Prudential-Bache
Securities | L. F. Rothschild, Unterberg, Towbin, Inc. |
| Morgan Stanley & Co.
Incorporated | Smith Barney, Harris Upham & Co.
Incorporated | Dean Witter Reynolds Inc. |
| Shearson Lehman Brothers Inc. | Hoare Govett Limited | |
| Wertheim & Co., Inc. | J. Henry Schroder Wagg & Co.
Limited | |
| City Merchants Bank | La Compagnie Financiere | |
| Nederlandse Credietbank NV | | |

Allianz to raise \$323m for expansion

By Jonathan Carr in Frankfurt

ALLIANZ, West Germany's biggest insurance concern, is raising DM 721.8m (\$323.6m) through a one-for-15 rights issue, and proposes to boost its dividend from 22 per cent to 24 per cent for the 1985 year.

Allianz said the rights issue was intended to ensure that adequate capital would be available to cover "future expansion of business." It gave no further details.

In the recent past Allianz has made some major foreign acquisitions, including Britain's Corhill Insurance early this year, and RAS, Italy's second biggest insurance group.

Allianz is also known to be on the hunt for a suitable company in the US to complement its relatively modest life and non-life activities there. Total group worldwide premium income in 1985 (excluding RAS) was DM 17.4bn.

The 24 per cent dividend now proposed will involve a payout of DM 144.3m compared with one of DM 110.3m last year. Another DM 82.4m is being added to reserves.

The rights issue will raise Allianz's basic capital by DM 40.1m to DM 641.5m. The new shares (DM 50 at par) are priced at DM 900 and will be available for subscription between July 10 and 23. They will be eligible for a full dividend for the 1986 year.

IRI losses forecast to fall by almost two-thirds in year

BY ALAN FRIEDMAN IN ROME

IRI, Italy's largest state holding company, expects to cut losses by nearly two-thirds this year.

Professor Romano Prodi, IRI chairman, said in Rome yesterday that the year would close with a 1,600m (\$380m) deficit, against last year's loss of 11,583m.

IRI executives stressed that the forecast was preliminary and referred to the group's industrial activities, not its banks. Among IRI holdings of about 500 companies are the major Finisider Steel subsidiaries, Finmeccanica Engineering, Stet Electronics, SME Foods, Finmare Shipping, the Alitalia airline and RAI television and radio divisions.

"Prof Prodi predicted that the closing months of the year would see IRI finally approaching breakeven on a trading basis after years of huge losses."

Yesterday's array of forecasts from IRI, however, also showed that the total group debt was expected to be L1,165bn at year-end, against L30,900bn at the end of 1985.

IRI's total cash flow for 1986 is expected to be L3,200bn, or 45 per cent higher than last year's L2,632bn.

Commenting on IRI's policy of privatising a number of subsidiaries, Prof Prodi revealed off a list of successful share issues and direct sales last year and declared: "Privatisation is not a sell-off but a strategic choice."

Last year IRI raised L2,800bn through the sale of shares in its subsidiaries.

Among share issues which saw Italian and foreign investors participating were offers for equity in Stet, Alitalia, the banks and other companies.

The Naples-based Banca Centro Sud was sold directly to America's Citicorp.

Prof Prodi declined to comment on the fate of SME, the IRI foods subsidiary that was to have been sold last year to Mr Carlo De Benedetti, but which has remained tied up in political controversy and legal proceedings. A judicial decision on the SME issue is expected in the next few days.

Mack Trucks will reduce workforce

By Roderick Gram in New York

MACK TRUCKS, the US heavy truckmaker 40 per cent owned by Renault of France, plans to reduce the white-collar (and mainly non-union) part of its workforce by 10 per cent by the end of this year because of "significant manufacturing over-capacity." Some 350 jobs will be lost.

It will also pursue other efforts to reduce costs, following a sharp reverse in its performance in the second half of last year, resulting in a full-year loss of \$58.2m, or \$2.07 a share.

The key element in Mack's recovery strategy, announced last autumn, is the replacement of one of its 90-year-old Pennsylvania plants with a new facility in South Carolina. It hopes to save some \$80m a year from the switch, mainly through paying lower wages.



Ente Nazionale per l'Energia Elettrica (ENEL)

(A public statutory body established under Italian law)

£100,000,000

Guaranteed Floating Rate Notes 1993

guaranteed as to payment of principal and interest by

The Republic of Italy

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the three month period 24th June, 1986 to 24th September, 1986 has been fixed at 10 1/4 per cent per annum. Coupon No. 11 will therefore be payable at £634.08 per coupon from 24th September, 1986.

S.G. Warburg & Co. Ltd.

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June 12, 1986

3,000,000 Shares

AUSIMONT COMPO N.V.

Common Shares
(par value Dutch Guilders 5 per share)

- | | | |
|--|---|--|
| WERTHEIM & Co., INC. | | |
| GOLDMAN, SACHS & Co. | THE FIRST BOSTON CORPORATION | BEAR, STEARNS & Co. INC. |
| ALEX. BROWN & SONS
Incorporated | DILLON, READ & Co. INC. | DONALDSON, LUFKIN & JENNETTE
Securities Corporation |
| DREXEL BURNHAM LAMBERT
Incorporated | HAMBRECHT & QUIST
Incorporated | E. F. HUTTON & COMPANY INC. |
| KIDDER, PEABODY & Co.
Incorporated | | LAZARD FRÈRES & Co. |
| MERRILL LYNCH CAPITAL MARKETS | | MONTGOMERY SECURITIES |
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| ROBERTSON, COLMAN & STEPHENS | L. F. ROTHSCHILD, UNTERBERG, TOWBIN, INC. | |
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£50,000,000

9 1/8 per cent. Notes 1991

Issue Price 100 3/4 per cent.

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Hessische Landesbank International S.A.

- | | |
|--|---|
| BACOB Savings Bank s.c. | Bank of Tokyo International Limited |
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| Deutsche Girozentrale International S.A. | Kreditbank International Group |
| The Nikko Securities Co., (Europe) Ltd. | Prudential-Bache Securities International |
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June, 1986

New Issue
June 1986

All of these securities having been placed, this announcement appears for purposes of record only.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
Washington, D.C.

U.S. \$ 150,000,000
8 1/2% Bonds of 1986/2016



- | | |
|---|--|
| Deutsche Bank Capital Markets
Limited | Credit Suisse First Boston
Limited |
| Algemene Bank Nederland N.V. | Banque Nationale de Paris |
| Daiwa Europe Limited | Generale Bank |
| Merrill Lynch International & Co. | Morgan Guaranty Ltd |
| Orion Royal Bank
Limited | Salomon Brothers International Limited |
| Union Bank of Switzerland
(Securities) Limited | S. G. Warburg & Co. Ltd. |
| Banque Paribas Capital Markets
Limited | |
| Goldman Sachs International Corp. | |
| Nomura International Limited | |
| Swiss Bank Corporation International Limited | |

Weekly net asset value



Tokyo Pacific Holdings (Seaboard) N.V.
on 23rd JUNE, 1986 U.S. \$ 134.38

Listed on the Amsterdam Stock Exchange

Information: Pearson, Helling & Pearson N.V., Herengracht 214, 1016 SZ Amsterdam.

AIBD BOND INDICES

Redemption	Yield	Change on Week	12 Months	
			High	Low
US Dollar	9.488	-0.867	10.850	9.094
Australian Dollar	13.121	-0.591	14.630	12.600
Canadian Dollar	10.719	-0.529	11.850	10.489
Euroquidder	6.089	-1.489	7.040	5.971
Euro Currency Unit	8.487	-1.176	7.250	6.300
Yen	6.515	0.200	7.250	6.300
Sterling	10.094	0.368	11.932	9.751
Deutsche mark	6.639	-0.015	7.260	6.418

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INTERNATIONAL COMPANIES and FINANCE

Eurobond prices rise but issuing activity subdued

BY CLARE PEARSON

THE EUROBOND market was infected with a little of New York's optimism yesterday. Dealers marked prices up by about 7 1/2 percent...

BOC Group plans £50m paper programme

By Peter Montagnon, Euromarkets Correspondent

BOC GROUP, the UK industrial gases and health care company, has appointed County NatWest Capital Markets and S G Warburg to act as dealers in a new £50m commercial paper programme.

Clare Pearson on commercial bank repackaging of fixed-rate bonds Synthetic floaters to the rescue

COMMERCIAL BANKING revisited they call it. It is ironic that the commercial banks, whose syndicated loans business was undermined by the growth of the international fixed-income securities market...

Allianz in DM722m rights issue

BY JONATHAN CARR IN FRANKFURT

ALLIANZ, West Germany's biggest insurance concern, is raising DM 722.8m (\$324.8m) through a one-for-15 rights issue, and proposes to boost its dividend from 22 per cent to 24 per cent for the 1986 year.

MoF reviews mortgage bond law

BY YOKO SHIBATA IN TOKYO

THE JAPANESE Ministry of Finance (MoF) is to undertake a thorough revision of the law relating to mortgage-backed bonds, in order to facilitate the development of this high-yield financial instrument while protecting investors.

Japanese state bond yield to rise

By Our Financial Staff

UNDERWRITING HOUSES for Japanese Government bonds said in Tokyo yesterday they had received indications from the Ministry of Finance that terms for the 10-year issue due next month would bring an increase in yields.

FT INTERNATIONAL BOND SERVICE

Listed are the 200 latest international bonds for which there is an adequate secondary market.

Table with columns for Bond Name, Issuer, Maturity, Yield, and Price. Includes sections for US DOLLAR, OTHER CURRENCIES, and CONVERTIBLES.

Salomon Bros. loses Delucia to Goldman

By Paul Taylor in New York

GOLDMAN SACHS, the Wall Street investment bank, has hired Mr. Paul Taylor, a London-based Salomon Brothers managing director, to head its New York corporate bond trading, sales and operations department.

Advertisement for Girozentrale und Bank der Österreichischen Sparkassen Aktiengesellschaft. Features a GZ BANK logo and details for 7% Subordinated Bonds Due 1993.

INTL. COMPANIES and FINANCE

Svenska Handelsbanken

US\$ 100,000,000 12% % Notes 1989

NOTICE IS HEREBY GIVEN that pursuant to Condition 4(b) of the Notes, US\$ 2,120,000 principal amount of the Notes has been drawn for redemption on 28th July 1986, at the redemption price of 101% of the principal amount, together with accrued interest to 28th July 1986.

The serial numbers of the Notes drawn for redemption are as follows:—

94	827	1409	2666	3712	4978	6055	7413	8520	9840	10899	11821	12751	13918	14816	16238	16886	17976	19034	19855
121	880	1461	2722	3888	5016	6069	7426	8558	9867	10929	11822	12779	13919	14836	16240	16967	17998	19091	19861
149	895	1562	2752	3937	5042	6099	7434	8582	9875	10932	11837	12833	13937	14953	16309	17010	18134	19095	19875
241	898	1647	2757	3946	5059	6114	7467	8630	9932	10957	11859	12891	13940	15004	16345	17035	18156	19099	19878
259	955	1790	2765	3950	5102	6247	7473	8675	9947	10972	11879	13105	13968	15031	16347	17063	18205	19111	19912
281	969	1732	2786	4010	5223	6271	7525	8911	10045	11023	11901	13153	14036	15138	16362	17134	18251	19136	19930
307	978	1838	2961	4166	5234	6383	7534	8929	10121	11135	12001	13170	14200	15200	16371	17159	18423	19158	
313	1000	1847	2975	4343	5292	6509	7535	8935	10160	11143	12062	13180	14241	15222	16394	17163	18446	19206	
346	1008	1851	3174	4345	5295	6534	7568	8967	10169	11151	12149	13215	14275	15226	16426	17280	18509	19237	
390	1092	1996	3189	4450	5365	6536	7731	9002	10196	11235	12163	13333	14327	15403	16444	17368	18607	19238	
398	1100	2013	3221	4482	5423	6537	7824	9019	10204	11260	12214	13330	14344	15550	16445	17396	18617	19250	
406	1119	2116	3235	4491	5434	6598	7833	9058	10296	11381	12399	13412	14362	15623	16447	17415	18625	19273	
408	1169	2119	3243	4501	5623	6691	7888	9102	10416	11399	12409	13553	14365	15662	16506	17437	18679	19310	
487	1183	2322	3287	4526	5737	6692	7903	9183	10439	11410	12466	13622	14478	15676	16514	17470	18711	19425	
523	1188	2328	3317	4547	5817	6705	8092	9225	10632	11417	12486	13634	14500	15709	16566	17486	18735	19438	
525	1238	2521	3503	4609	5824	6754	8170	9293	10656	11488	12492	13635	14623	15756	16582	17555	18739	19479	
565	1244	2538	3510	4651	5827	6880	8201	9337	10706	11537	12504	13696	14685	16007	16675	17559	18744	19523	
580	1292	2555	3588	4769	5884	6958	8216	9431	10725	11550	12556	13719	14690	16011	16677	17562	18813	19525	
726	1310	2557	3604	4857	5927	7093	8261	9601	10746	11594	12608	13787	14710	16021	16747	17628	18866	19618	
729	1324	2578	3643	4902	5937	7162	8335	9689	10812	11698	12649	13820	14716	16041	16755	17787	18951	19638	
775	1334	2584	3689	4907	5946	7224	8421	9772	10911	11702	12706	13855	14752	16076	16764	17849	19020	19642	
816	1378	2636	3693	4971	6024	7370	8510	9789	10883	11772	12742	13872	14758	16189	16829	17955	19031	19853	

On the 28th July 1986, the said redemption price will become due and payable upon each Note to be redeemed, together with accrued interest from 20th February 1986 to 28th July 1986 amounting to US\$ 271.56 per US\$ 5,000 Note. On and after that date, interest on the said drawn Notes will cease to accrue.

Payment of the Notes to be redeemed will be made on or after 28th July 1986 upon presentation and surrender of the said Notes, with all coupons appertaining thereto, at the office of any of the Paying Agents mentioned thereon.

Bankers Trust Company, London

Agent Bank

26th June 1986

Rise in yen hits profits at Matsushita Electric

BY YOKO SHIBATA IN TOKYO

THE STEEP ascent in the value of the yen was identified as the main cause of a 14.1 per cent decline in first-half pre-tax profits at Matsushita Electric Industrial, the Panasonic and Technics consumer electronics maker.

Parent company taxable earnings for the half-year to May 30 were down to ¥104.5bn (¥628.05m) from ¥121.5bn, on sales which showed a 5 per cent retreat to ¥1,564bn against ¥1,646.5bn.

At the net level, the profits decline was held to 1 per cent, to ¥58.4bn compared with ¥59.4bn. The interim dividend per share is maintained at ¥5, paid from net earnings of ¥29.91 against ¥30.24.

The company is to change its

year-end from November 20 to March 31. The move is designed to expedite consolidation of contributions by subsidiaries, allowing more effective management control, and to bring it in line with the Japanese fiscal year. Shareholders' approval will be sought in February 1987, after which the first new financial year will begin on April 1 1987.

Matsushita attributed its poor first-half showing to the appreciation of the yen, accompanied by slow US economic growth which worsened its export climate. In turn, declining exports brought about restricted capital spending in Japan and consumer spending in the company's domestic market showed uneven demand.

Sales of video equipment were down by 16 per cent to ¥487.4bn and those of audio equipment by 11 per cent to ¥120bn. Home electric appliances registered a 6 per cent gain to ¥292.7bn.

Sales of communication industrial equipment and electronic components were down by 1 per cent each to ¥309.6bn and ¥236.9bn respectively.

Domestic sales improved by 2 per cent to ¥1,060.1bn, but exports sagged by 7 per cent to ¥512.9bn.

Amatil lifts first-half earnings and payout

By Lachlan Drummond in Sydney

AMATIL the Australian tobacco, food, beverage and printing offshoot of BAT Industries of the UK lifted net profits by 17 per cent from A\$25m (US\$19.8m) to A\$29m for the half-year to April, on a 12 per cent rise in sales to A\$847m.

The improvement came despite higher interest charges and increased depreciation. Strong growth was shown by all sectors except the snack foods division.

The directors have, however, warned shareholders not to expect a similar rate of increase for the full year. An improvement on the 1984-85 total net earnings of \$64.3m is none the less expected and interim dividend is being raised from 12 cents a share to 14 cents, paid from earnings per share of 36 cents compared with 30.7 cents.

A surge in the poultry business—which Amatil in part controls through associate companies—was reflected in a rise in investment and other income from A\$5.8m to A\$12.5m. The dividend component of A\$5.9m as associate distributions increased.

Interest income grew from A\$3.8m to A\$6.6m but interest charges jumped from A\$12.9m to A\$23m as rates increased and the company bore the cost of its A\$100m acquisition of Sydney's Coca Cola bottling plant in January.

Amatil said the beverage division, which includes two Coke operations in Austria, recorded further satisfactory volume growth, while the poultry division shared in a 3 per cent market expansion in the industry.

The tobacco division, which contributes about half of total trading profits, increased its contribution mainly through efficiency gains. The snack food side suffered a sharp drop in earnings as higher potato prices and increased new product spending offset the benefits of an expansion in sales.

Amatil, which is 40 per cent owned by BAT, has just embarked on a US\$125m financing programme in the Euro-markets. The five-year deal will allow it to sell Euronotes through a tender panel auction system.

Metal Manufactures flotation

BY OUR SYDNEY CORRESPONDENT

BICC, THE British engineering and cables group, is to raise some A\$50m (US\$34.1m) from the flotation of a 20 per cent stake in Metal Manufactures, its 64 per cent-owned Australian cables and electrical wholesaling offshoot.

The prospectus for the A\$1.65 per share offering of 30.5m shares was released yesterday, with the price capitalising the company at A\$250m. The prospectus also shows that BICC and CRA, the domestic mining group which is the

major shareholder, have re-

tried A\$25m from Metal Manufactures through a special dividend paid as part of a pre-flotation reconstruction. This included an asset revaluation, a share split and a bonus issue, while the two shareholders also repaid A\$15m of loans.

Directors of Metal Manufactures were guarded in their forecasts for the current year, stating only that a satisfactory profit would be realised and that earnings for the half-year to June would not be less than 9 cents a share, equivalent to A\$13.7m, up 17 per cent.

Metal Manufactures earned A\$27.8m in 1985, equivalent to 18.3 cents a share before adjustment for the changes flowing from the dividend payment and increased depreciation on revalued assets. Net assets per share came to A\$1.12 after the reconstruction.

BICC is reducing its stake to 44 per cent, although CRA is retaining its full 36 per cent stake. The UK group will continue to consolidate the Australian arm because of an agreement with CRA which leaves it with indirect control over a majority of the capital.

Orders fall at Philipp Holzmann

BY DAVID BROWN IN FRANKFURT

PHILIPP HOLZMANN, one of West Germany's leading construction concerns, has reported that 1985 group net profits declined by 32 per cent to DM 29.64m (S12.9m) and said it plans further capacity cut-backs this year because of sharply falling orders in much of its foreign business.

Building revenues for 1986 are likely to fall by a further 8 per cent to about DM 6.5bn, according to Mr Hermann Becker, speaking for the managing board. With the exception of Holzmann's US companies, foreign

order intake in the first five months tumbled by 69 per cent (to DM 153m) and revenue by 30 per cent, not least because of falling demand in the previously strong Opco market.

Overall revenue for the five-month period fell by 10 per cent to DM 2.42bn from last year. However, order intake advanced by 11 per cent, to DM 3.06bn as a result of buoyant demand in the domestic market (up 42 per cent to DM 97m) and in the US. The order book at the end of May stood at DM 4.56bn, up 8.2 per

cent from the start of the year. Nonetheless, despite the West German upswing—particularly in the volume of private construction activity—the group still faces stiff domestic price competition which is not expected to ease until 1987.

In the US, order intake climbed 23 per cent to DM 1.92bn and higher volumes are expected for the full year. Last year, revenue slipped by a total 8 per cent to DM 7.42bn. The group is to pay an unchanged dividend of DM 10 per share.

U.S. \$100,000,000 The Sumitomo Trust Finance (H.K.) Limited

(Incorporated in Hong Kong) 12% % Guaranteed Notes Due 1992



NOTICE IS HEREBY GIVEN that pursuant to Condition 5(c) of the Notes, US \$2,000,000 principal amount of the Notes has been drawn for redemption on 28th July, 1986, at the redemption price of 101% of the principal amount, together with accrued interest to 28th July, 1986. The serial numbers of the Notes drawn for redemption are as follows:—

77	905	2168	3273	4142	5154	6039	6724	7542	8357	9222	10814	11763	12529	13634	14442	15743	16911	18179	19195
80	934	2257	3364	4330	5200	6200	6772	7659	8610	9777	10961	11774	12585	13693	14442	15743	16911	18179	19195
115	996	2292	3397	4333	5201	6211	6820	7681	8627	9827	10974	11794	12588	13773	14449	15773	16916	18214	19210
177	1012	2340	3511	4336	5222	6249	6845	7686	8718	9938	10987	11864	12644	13800	14460	15815	16934	18340	19221
201	1030	2522	3536	4364	5231	6283	6866	7701	8776	9994	11029	11896	12715	13809	14501	15837	17000	18421	19249
219	1032	2530	3558	4398	5256	6312	6905	7771	8793	10100	11048	11928	12755	13885	14641	15844	17113	18488	19264
247	1228	2547	3667	4563	5283	6348	6908	7796	8832	10108	11076	12016	12786	13897	14734	15904	17130	18576	19267
308	1311	2557	3686	4625	5340	6392	6970	7859	8895	10165	11102	12020	12779	13896	14871	16007	17154	18611	19402
326	1449	2561	3695	4640	5425	6443	7016	7905	8981	10333	11214	12033	12833	13987	14888	16022	17336	18635	19421
327	1458	2604	3761	4645	5472	6450	7038	7942	9133	10335	11251	12093	13055	14028	15013	16076	17359	18669	19522
432	1479	2794	3774	4673	5512	6464	7059	7947	9161	10362	11291	12155	13207	14089	15144	16085	17433	18676	19585
439	1529	2804	3815	4689	5609	6516	7070	8063	9262	10578	11314	12227	13269	14092	15211	16094	17548	18711	19713
471	1600	2908	3835	4746	5637	6518	7336	8137	9269	10607	11407	12423	13326	14121	15243	16098	17649	18730	19777
662	1706	3017	3915	4753	5641	6521	7424	8158	9308	10633	11425	12446	13339	14155	15366	16182	17689	18757	19802
691	1723	3023	3925	4860	5751	6576	7451	8168	9307	10639	11470	12465	13352	14172	15415	16265	17703	18791	19829
827	1846	3098	3929	4907	5785	6601	7489	8202	9352	10653	11484	12493	13376	14178	15516	16356	17709	18859	19846
841	1964	3124	3933	4951	5802	6657	7491	8280	9391	10683	11551	12503	13456	14205	15520	16362	17799	18996	19851
851	1999	3191	3962	5033	5919	6687	7510	8297	9429	10702	11587	12504	13498	14225	15542	16382	17827	18927	19887
863	2162	3256	4005	5078	5956	6704	7535	8374	9454	10759	11635	12514	13564	14373	15568	16397	17915	18977	19989

On the 28th July, 1986, the said redemption price will become due and payable upon each Note to be redeemed, together with accrued interest from 20th February, 1986 to 28th July, 1986 amounting to US \$277.05 per US \$5,000 Note. On and after that date, interest on the said drawn Notes will cease to accrue. Payment of the Notes to be redeemed will be made on or after 28th July, 1986 upon presentation and surrender of the said Notes, with all coupons appertaining thereto, at the office of any of the Paying Agents mentioned thereon. After 28th July, 1986 US \$14,000,000 principal amount of Notes will remain outstanding.

The Chase Manhattan Bank, N.A., London, Fiscal and Principal Paying Agent

UK COMPANY NEWS

Tibbett & Britten share offer gives £31.5m value

By Terry Garrett

A \$5m management buy-out of Tibbett & Britten Group, a leading clothing transportation company, from Unilever 18 months ago, has blossomed into a £10.9m offer for sale which will value the group at £31.5m. Investors are being offered 9.44m shares at 125p each, of which 2.89m are coming from existing holders including 1m from 3i which is reducing its interest to a little over 15 per cent.

At the offer price the prospective P/E is pitched at 15.4 on an actual 36.25 per cent tax basis. The national yield is 4.1 per cent.

T & B pioneered hanging garment transportation for the retail sector in this country and has close links with Marks and Spencer which accounts for around 60 per cent of turnover. The group can be broken down into four divisions: Transcare, National, International and Dartford Securities.

Transcare, by far the largest single operation, operates a dedicated hanging garment delivery service to S and S via a fleet of 180 vehicles and 250 custom built trailers in M and S liveries.

Relations between retailer and haulier are described as "excellent" but in the past neither side can terminate the contract without two years notice. Terms will be jointly reviewed in 1988.

National is a similar transportation service but covers a broad range of retail and manu-

facturing clients including Asda, Littlewoods, Mothercare and Woolworth.

National has recently won a contract with Debenhams, starting September, to provide a hanging garment service and operate a central warehouse facility.

International, the smallest operation, provides an overseas garment carriage service.

The most recent development is Dartford born out of M and S's decision to sub-contract part of its warehousing and distribution support services. T & B is currently developing a 270,000 sq ft site at West Thurrock, Essex, at a cost of £7m. This is the principle exercise for the cash raising exercise.

The first phase of Thurrock will be operational in September. In a full year it should contribute £5m to revenue and will handle a full range of goods apart from fresh and frozen food.

Agreement has been reached for T & B to establish a second regional centre. This will be financed from the group's own resources.

The financial record is marred by a £1m pre-tax loss in 1985 caused by the leap in costs associated with the creation of Transcare which also created significant restructuring costs in the two following years. The 1986 profit of £1.94m was struck after £453,000 of exceptional.

The directors are forecasting not less than £3.25m for this year and a dividend of 2.5p. Had the company been quoted for a full year the payout would have been 5.5p.

After the issue the directors and senior management will hold 50.1 per cent.

Hill Samuel and James Capel are handling the offer.

Comment

High street retailers seem increasingly willing to abdicate the relatively low margin and time consuming business of distribution to specialists which by their very nature can produce healthy returns. More and more of the big names will want to pass this particular baton to another runner and the fact that Burton has recently sent a team of accountants into Tibbett & Britten suggests that Mr Halpern might be considering more than the Debenhams contract. But just sticking to what T & B has got—and what it will get from the two regional centres—for M and S—the 1986 growth rate looks more than good enough to underpin the asking price. If there is a caveat it is that distributors have a high cost base and any cyclical downturn in clothing sales could be catastrophic at the profit level but that is beyond the time scale of this market. The price is attractively pitched—a P/E of around 15 would be right for the after-market.

ERF back in profit and benefits ahead from new vehicle

THE ELIMINATION of exchange losses enabled ERF (Holdings) to swing from pre-tax losses of \$444,000 to profits of £1.27m in the year to March 29 1986.

Exchange losses in 1984-85 amounted to £1.18m.

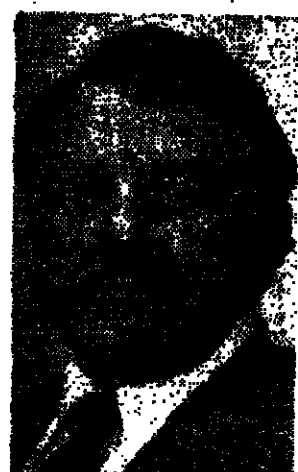
Turnover for the year under review fell from £72.8m to £71.03m but profits before interest and exchange fluctuations showed an improvement of £736,000 to £2.87m.

The group manufactures heavy commercial vehicles and plastics. In the current year trading levels to date have been somewhat depressed.

However, the directors said yesterday that with the introduction of the new E series vehicle range and better market conditions they expected the second half of 1986-87 to improve.

In the past year vehicle unit sales were marginally lower, but profitability in the vehicle division was substantially higher.

There was a small reduction in profitability from plastics due to strong competition.



Mr Peter Foden, chairman of ERF

Interest charges for 1985-86 rose from £1.4m to £1.6m. Earnings came through at 18.25p basic against losses of 7.25p, and at 15.91p (6.96p losses) fully diluted.

There is no dividend—the last payment was in 1982.

BOARD MEETINGS

TODAY		
Adams	Adrian Adams	July 7
Bankers	Bankers Investment Trust, Bankers, Chase, Cresswell, St. Modwen Properties, Epsom	July 7
British	British Anglo-Indonesian, BTP, Bagnall, Burtonwood Brewery, C. H. Indefatigable, Commercial Estates, Cullington Corporation, Hagreaves, Kewell Systems, James Latham, Spenshall, Walker and Seal, Wellens	July 7
Future Dates		
Anglo	Anglo United Development	June 27
Arbutnot	Arbutnot Dollar Income Trust	June 30
Birt	Birt Investments	June 27
Glass	Glass Glover	July 7
Kode	Kode International	July 7
Willoughby's	Willoughby's Consolidated	July 7
First	First	July 2
Amalg	Amalg. Financial Investments	July 2
Butlin	Butlin (A. F.)	July 2
Compass	Compass	June 30
Davies	Davies	July 2
Eblief	Eblief	July 23
Gresham	Gresham House	June 30
Leish	Leish	June 30
Lorho	Lorho	July 1
Papa	Papa	July 2
Reynolds	Reynolds	July 2
Stroud	Stroud Riley Drummond	July 8
United	United Leasing	July 14

Samuelson advances to £5.5m

Samuelson Group, the London-based international supplier of equipment and services to the film, television, presentation and leisure industries, achieved good progress in the year ended March 31, 1986 with pre-tax profits up 56 per cent.

There was significant growth in all of the group's main areas of operation despite a downturn in UK feature film production. The acquisitions made during the year all performed ahead of expectations.

Profits, before tax, climbed from £3.56m to a record £5.54m, on turnover 31 per cent higher at £38.92m, against £39.62m. The directors said that for the first year they looked forward to substantial growth, both at home and overseas, in all areas of operations.

Earnings per 20p share, in 1985-86 were up 33 per cent from 13.15p to 17.45p, and the dividend lifted from 1.5p to 2.4p net, with a final 1.5p on capital increased by November's 55.9m rights issue.

After tax of £2.12m (£1.46m), minorities and an extraordinary dividend of £37,000 (£270,000 credit)—for closure costs of a subsidiary—attributable profits increased from £2.37m to £2.28m.

The group's film division increased pre-tax profits from £1.51m to £1.94m, on turnover of £11.46m (£13.07m). UK feature film production, which was buoyant during the first half of the 1985-86 year, weakened considerably in the second half and particularly in the second quarter.

A number of productions were cancelled or postponed. This weakness continued into the first quarter of 1986-87, but the outlook for the remainder of the current year was said to be much brighter.

The directors said the presentation division had an excellent year, with profits and turnover doubled at £1.27m and £3.62m respectively. Acqui-

sitions made last year were successfully integrated into this division and it now operates in two main areas—entertainment presentations and corporate/industrial presentations.

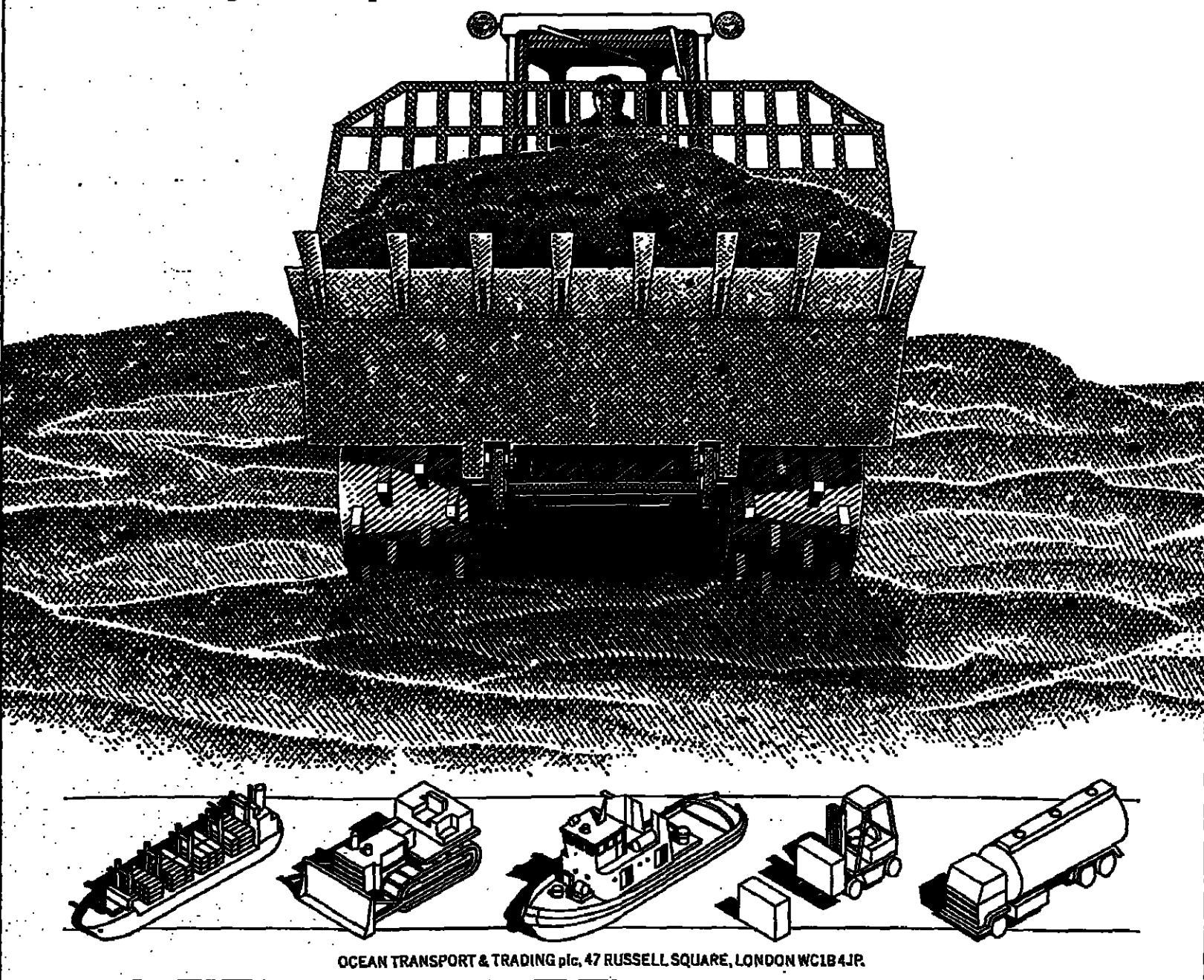
Overseas profits were up from £1.17m to £1.82m, on turnover of £11.96m (£7.53m). The French subsidiary suffered as a result of the price and income's policy in force in France during 1985-86, but was now very busy. The Australian subsidiaries, John Barry Group and Jands Concert Productions, both had a good year.

The post year-end US acquisition, Video Design, had been rationalised, curtailing certain low margin activities. In the current year, the company would be opening an operation in Atlanta, Georgia, which was expected to have a significant effect on its earnings.

Other divisions contributed an overall £522,000 (£241,000) profit from £688m (£5.71m) turnover.

Business is picking up. (Followed by treatment and disposal.)

The amount of rubbish produced in this country is staggering. Every year, London alone produces some three million tonnes of domestic waste, to which trade and industry add millions more. Thankfully this is something that many people need never worry about. Because, faced with huge amounts of domestic and industrial waste, many companies and local authorities simply leave it all in our hands. Or more accurately in our laboratory-controlled treatment facilities, our containers and our landfill sites. As one of many industrial transportation and distribution services provided by Ocean, Cory Waste Management plays a low-profile but crucial part in meeting the needs of our clients. Crucial, because there has never been more waste to handle, nor a greater need to protect the environment from its effects. Low-profile, because we cover our tracks: our landfill sites may end up as golf courses or nature reserves, but they will not be left looking like landfill sites. In business terms, though, Cory Waste Management's profile is anything but low. By keeping well ahead of today's increasingly tough waste disposal regulations, we're also keeping ahead of the competition. Recently we were awarded a 15 year, £70 million contract to handle over seven million tonnes of London's waste. So far we've invested £11 million in our London operation and we're continuing to invest and expand, developing techniques such as the solidification of chemical waste. All with the aim of assuring a healthy future for the environment. And for ourselves, of course. **OCEAN** We can handle it.



OCEAN TRANSPORT & TRADING plc, 47 RUSSELL SQUARE, LONDON WC1B 4JR

Newman Tonks profit on target

Newman Tonks Group, which successfully fought off a £65m bid from McKechie Brothers earlier this year, raised its first half profits by £990,000 to £3.5m pre-tax.

Furthermore, the directors said the group was on target to achieve not less than £8.15m for the full year, the figure they forecast last March in a letter to shareholders advising them to reject McKechie's offer.

In the half year to end-April 1986 turnover pushed ahead from £38.14m to £42.94m—the

Birmingham-based group manufactures metal hardware.

Tax took £1.7m (£958,000) and left earnings at 4.97p (4.05p). In accordance with the forecast the net interim dividend is being stepped up from 1.25p to 1.50p. Shareholders have been promised a total of 7.2p (5.5p).

Extraordinary provisions rose to £909,000 (£181,000) and included the costs of defending the McKechie bid amounting to £785,000.

The directors plan for taking

the group forward encompasses acquisitions and divestments carefully selected to complement core businesses. It also includes proposals to expand world-wide sales through the development of joint venture companies and to reduce further the unit cost and improve the quality of the finished products for the specification market by further investment in modern facilities.

Their objective is to give shareholders an excellent return on assets and growth in earnings per share.

Electronic Data 35% ahead and confident

A 35 per cent rise in pre-tax profits was recorded by Electronic Data Processing, computer equipment retailer and servicer, for the six months to March 31 1986.

The pre-tax result came out at £419,000 against £310,000 on turnover 51 per cent up at £3.18m (£2.11m), and with sales of the Mentor range of computers already well ahead compared with the first half, the directors view the outcome for the full year with confidence.

An interim dividend of 0.8p is being paid. Stated earnings per 5p share were up from 3.33p to 3.73p.

In March, the company's recommended offer to acquire Business Computer Systems was declared unconditional, and

BCS's results for the period March 14 to March 31 1986 were incorporated into those of Electronic Data.

A full review of BCS's activities was carried out and the directors decided to write some £1m off stocks of computer equipment due to technical obsolescence. This was done as at March 13 and did not affect the results reported as it was a pre-acquisition adjustment.

The group, which obtained a USM quote in September 1985, now has a combined user base of 4,000 computer installations and an annual turnover in excess of £15m, of which about £3m is derived from the maintenance of computer installations.

Tax for the half year took £170,000 (£147,000).

Stainless Metalcraft midway surge

A strong increase in orders and productivity enabled Stainless Metalcraft to lift its first-half profits from £158,000 to £445,000 at the pre-tax level.

Turnover for the six months (to February 28 1986) pushed ahead by £729,000 to £2.97m—the USM group makes precision equipment and components.

Tax rose to £154,000 (£96,000) and earnings emerged at 5.8p (1.9p). The interim dividend is held at 2p net.

The directors said the group was currently processing orders totalling £1.25m from British Nuclear Fuels. They added that the commissioning of the two CNC machining centres, purchased for £750,000, was almost complete and that the resultant benefits would accrue in the 1986-87 year.

Scusa starts well

Shareholders at the annual meeting of Scusa Inc were told that 1986 had started well with manpower productivity improvements and facility integration plans progressing on or ahead of the planned rate.

Mr Brian O'Connor, chairman, said that key areas in which there had been productivity gains include customer service, response and sales.

Yearlings

Yearling bonds, totalling £0.75m at 84 per cent, redeemable on July 1 1987, have been issued by the following local authorities: Dartford District Council £0.5m; West Lancashire DC £0.25m.

A. G. Barr holds margins in a competitive market

SLIGHTLY HIGHER taxable profits of £1.6m, against £1.54m, were attained by A. G. Barr, the Tizer soft drinks group, in the half year to April 25 1986.

Turnover increased by 7 per cent from £15.78m to £16.89m in a market which remained extremely competitive. But trading margins were virtually maintained at 7.76 per cent by tight control on operating costs.

Earnings per 25p share rose to 17.03p (14.36p), after tax down from £532,000 to £523,000. A higher interim dividend of 2.5p (1.75p) was declared. Last year's final dividend was 6.7p and pre-tax profits were £3.2m.

During the remainder of the year, the company said it would obtain benefit from the closure in February 1986 of Leeds production facilities and the concentration of returnable bottle filling in England in factories at Atherton and Sheffield.

Trading at the start of the second half had to contend with the exceptionally wet weather during May.

Barr added that it was continuing to press for the necessary agreements and planning consents relative to plans to increase warehouse capacity at Glasgow and Atherton. But delays in achieving these at both locations made it doubtful when work could be commenced

UK COMPANY NEWS

British Land invades Ziff fortress

Ian Hamilton Fazey reports on the Stylo annual meeting



Mr John Ribbit (left) chairman of British Land, and Mr Arnold Ziff, chairman of Stylo.

Stylo's Yorkshire stone headquarters looks like a fortress. It stands solidly on the towpath of the Leeds-Liverpool canal...

The adversaries were the invaders from the south—in the shape of a five-man team from British Land...

British Land, which failed last year with a tender offer for a large stake in Stylo, believes it could run the company better than the Ziffs...

Five Ziffs—Messrs Alwyn, Alan, Michael, Paul and their leader, the company chairman—dug in on the top table...

The invaders, led by directors Mr Cyril Mettias and Mr Stan Bervin in the absence of British Land chairman Mr John Ribbit...

British Land owns 25.4 per cent of the 12m "limited" ordinary shares in Stylo. Why the shares are limited is that they carry only one vote each...

Several central themes emerged: Why had Stylo sold its Pennywise discount subsidiary when it contributed 42 per cent of last year's profit?

Why did the company spend £12m buying its own shares at 201p each when directors and Town Securities were buying at

lower prices at around the same time? Why did the two highest-paid directors receive pay rises of 60 and 40 per cent? Why was the company paying a dividend when it needed all the cash it could get to modernise its shops?

Mr Ziff remained unruffled throughout. The offer for pennywise was too good to refuse at 55.5m plus repayment of overdraft. The fact that directors had bought shares was an indication of faith in the company.

Mr Ziff was adamant that resistance if there were ever an intention to give up control could not foresee British Land being allowed in on a "lockout" basis.

Wight Collins hits £2.6m as business growth accelerates

The Wight Collins Rutherford Scott (Holdings) advertising agency, which has grown in recent weeks via acquisitions both in the UK and the US, pushed its 1985-86 turnover up by £19.8m to £36.1m...

Shareholders are to be rewarded with a higher dividend, a final of 3p lifting the net total by 1.5p to 4.25p net per 10p share.

The directors said growth in revenue and turnover in the year to April 30 1986 was attributable to increased business from existing clients and a steady stream of new clients which lifted income and profitability well in line with expectations.

They pointed out that the advertising agency WCRS enjoyed its best-ever year in terms of new client assignments and new work and added that in calendar 1985 it won business in excess of £25m. Moreover, in the first half of 1986 it added a further £25m of new business.

Mr Lancaster's first full year as a group member coincided with a surge of new business and as a result it reached the top 10 position in UK rankings. Wight Collins, itself, became the second largest British-owned marketing services group after Saatchi & Saatchi by acquiring ERM-Creamer, a US advertising agency and public relations consultancy earlier this month for up to \$60m (£33m).

Called on shareholders for £32m to fund the purchase, FCO, a UK advertising agency with billing of some £20m, was least.

Moorgate Mercantile tops £1m

Despite a rise of £886,000 in interest charges Moorgate Mercantile Holdings, engaged in instalment finance and retail hire, raised its pre-tax profits above the £1m mark for the first time in the year to end-March 1986.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1980=100); engineering output (1980=100); retail sales volume (1980=100); retail sales value (1980=100); registered unemployment (excluding school leavers) and unfilled vacancies (000). All seasonally adjusted.

Table with columns: Index, 1985, 1986, 1987, 1988, 1989, 1990. Rows include Manufacturing output, Engineering output, Retail sales volume, Retail sales value, Registered unemployment, Unfilled vacancies.

OUTPUT—By market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

Table with columns: Index, 1985, 1986, 1987, 1988, 1989, 1990. Rows include Consumer goods, Investment goods, Intermediate goods, Engineering output, Metal manufacture, Textiles and clothing, Housing starts.

EXTERNAL TRADE—Indices of export and import volume (1980=100); visible balance; current balance (2m); oil balance (2m); terms of trade (1980=100); official reserves.

Table with columns: Index, 1985, 1986, 1987, 1988, 1989, 1990. Rows include Export volume, Import volume, Visible balance, Current balance, Oil balance, Terms of trade, Official reserves.

FINANCIAL—Money supply M0, M1 and sterling M3, bank advances to sterling by the private sector (three months' growth at annual rate); building societies' net inflow; EFP; net credit; all seasonally adjusted. Clearing Bank base rate (end period).

Table with columns: Index, 1985, 1986, 1987, 1988, 1989, 1990. Rows include M0, M1, Sterling M3, Bank advances, Private sector growth, Building societies net inflow, EFP, Net credit.

INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels; wholesale prices of manufactured products (1980=100); retail prices and food prices (Jan 1974=100); FT commodity index (July 1982=100); Trade weighted index of sterling (1975=100).

Table with columns: Index, 1985, 1986, 1987, 1988, 1989, 1990. Rows include Earnings, Basic materials, Wholesale prices, Retail prices, Food prices, FT commodity index, Trade weighted index.

Greycoat expands by 15.5% to £4.6m

Greycoat Group, engaged in property investment and development, increased profits in the 1985-86 year by 15.5 per cent to £4.57m pre-tax.

Mr Geoffrey Wilson, the chairman, said that this had been another successful and productive year, and completed developments had been success-

fully leased. Profits in 1984-85 were £3.96m. A higher final dividend of 1.25p (1p) was proposed yesterday, making an increased total of 2.25p (1.75p) on the capital enlarged by the £37m one-for-three rights issue in March.

Earnings per share were 1p higher at 9.5p. The profits were achieved despite more than quadrupled finance costs of £3.76m, against £860,000. Turnover was more than doubled at £9.17m (£4.32m).

In addition to the rights money, Greycoat followed with a £70m syndicated limited recourse mortgage facility for the reconstruction of Lutyns House development in the City and the £100m Charing Cross office and urban renewal project (consisting from which will be built with British Rail).

Financing for these and future developments is likely to be through the limited recourse syndicated bank borrowing used for Lutyns. Provided the stock market remains buoyant, the company contains suitable uncharged candidates for disposal in order to cover the repayment-mental income gap, the equity gain on Lutyns and Charing Cross when completion takes place in 1989-90 will all fall to Greycoat.

In the meantime rental income growth depends on Leadenhall Street, the retail projects, and the US ventures. As an asset growth stock with a good record, Greycoat "almost certainly deserves a premium to net asset values. And as by next March this is expected to reach 300p, the shares look cheap at present levels.

Charles Baynes in red

HIGHER THAN expected disposal costs pulled Charles Baynes £757,000 into the red at the attributable level in the first half of the 1985-86 year. This compared with a profit of £84,000.

In view of the losses, the board said it would not be prudent to recommend a same gain dividend and declared a lower interim payment of 0.5p (0.55p). However, should the current level of profitability continue, and in the absence of unforeseen circumstances,

shareholders could expect a final of at least 1p. The company revealed yesterday that it was unable to sell its office cleaning and construction operations as going concerns. Their assets had to be sold "piecemeal". This resulted in a substantially higher than previously envisaged loss of £915,000.

At the pre-tax level profits of £240,000, or £235,000. Turnover was £2.4m higher at £7.15m.

BRITISH-BORNEO PETROLEUM SYNDICATE P.L.C.

Statement of the Chairman, Sir Douglas Morpeth, delivered at the 72nd Annual General Meeting of the Company held in London on 25th June 1986.

I am pleased to be able to record an increase in profits over 1985 and that your directors have been able to recommend a substantial increase in the dividend for 1986.

Earnings per stock unit have increased by 7% over 1985 and after repaying £500,000 of the secured bank loan, net assets per share at the Balance Sheet date, taking into account the market value of portfolio investments, have remained the same as at 1985.

This is satisfactory bearing in mind the considerable decline in the price of oil which has taken place during the year and the effect that that has had on the share price of most companies in the oil sector and in particular the smaller companies.

Oil consumption has continued slack and the surplus of available supply remains. OPEC difficulties in agreeing how this surplus should be contained, together with Saudi Arabia's apparent intention to defend its own market share, means that there is continuing uncertainty over future oil price levels, at least in the short to medium term.

The already substantial fall in the year plus this uncertainty has meant that many companies have postponed or curtailed their development and exploration programmes.

Your company has remained largely invested in two of the major and strongest companies, Shell and BP, both with strong downstream activities to balance upstream programs and cope with current market conditions. Their share prices have thus been affected less than most other companies invested in the oil production and exploration industry.

Although half of the bank loan of £1m at 31st March 1986 has been repaid during the year an investment program, your company is well poised to make further borrowings to take advantage of investment opportunities in the oil sector, at the right price, when your directors consider it is opportune to do so.

I am delighted to welcome Mr Michael Rendle as a director of the company and as Deputy Chairman from 15th January 1986. Mr Rendle has spent the whole of his career in the oil industry, retiring from BP at the end of 1985, and his experience will be invaluable to the Board in the future development of the company, about which I have every confidence for the future.

Copies of the Statement and the 1986 Report and Accounts are available from the Registrars, Loyds Bank Plc, Registrars' Department, Goring-by-Sea, Worthing, West Sussex BN12 6DA.

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange.

THE SCOTTISH MORTGAGE AND TRUST PLC

(Incorporated in Scotland - an investment company as defined in section 266 of the Companies Act 1985) Issue of £50,000,000 6-12 per cent. Stopped Interest Debenture Stock 2022 at 8% 5.12 per £100 nominal payable in full on acceptance.

Application has been made to the Council of The Stock Exchange for the whole of the above Stock to be admitted to the Official List.

In accordance with the requirements of the Council of The Stock Exchange, £5,000,000 of the Stock is available in the market on the date of publication of this advertisement.

Listing particulars of the Stock will be circulated in the External Statistical Service and copies may be obtained during usual business hours on any weekday (Saturdays excepted) up to and including 9th July 1986 from:

Jones Cook & Co. The Scottish Mortgage and Trust PLC, 3 Old Bailey Street, Edinburgh EH3 6YU

and will 7th June 1986 for collection only from the Company's Accountants, Messrs. The Stock Exchange, The Stock Exchange, London EC2P 2RT.

26th June 1986.

Granville & Co. Limited

Member of The National Association of Security Dealers and Investment Managers

8 Lovat Lane, London EC3R 8BP Telephone: 01-621 1212

FIVE Fully Yield

Table with columns: High, Low, Company, Price, Change, Div. (p), % Actual, Yield, Fully Yield

Table with columns: High, Low, Company, Price, Change, Div. (p), % Actual, Yield, Fully Yield

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Issue Price: 100.05 per cent.

The following have agreed to subscribe or procure subscribers for the Notes:

Samuel Montagu & Co. Limited

ANZ Merchant Bank Limited, Bank of America International Limited, Bank of Tokyo International Limited, Banque Nationale de Paris, Baring Brothers & Co., Limited, Credit Suisse First Boston Limited, Deutsche Bank Capital Markets Limited, Goldman Sachs International Corp., E F Hutton & Company (London) Ltd, Kleinwort Benson Limited, Loyds Merchant Bank Limited, Merrill Lynch International & Co., Mitsui Finance International Limited, Morgan Guaranty Ltd, NatWest Investment Bank Limited, Orion Royal Bank Limited, J. Henry Schroder Wagg & Co. Limited, Standard Chartered Merchant Bank Limited, Takagin International Bank (Europe) S.A., Union Bank of Switzerland (Securities) Limited, Westdeutsche Landesbank Girozentrale, Bache Securities (UK) Inc., Bankers Trust International Limited, Banque Bruxelles Lambert S.A., Barclays de Zoete Wedd Limited, Commerzbank Aktiengesellschaft, Dai-ichi Kangyo International Limited, Fuji International Finance Limited, Hambros Bank Limited, IBJ International Limited, Kredietbank N.V., LTCB International Limited, Mitsubishi Trust International Limited, Morgan Grenfell & Co. Limited, Morgan Stanley International, Nippon Credit International (Hong Kong) Ltd., Salomon Brothers International Limited, Société Générale, Swiss Bank Corporation International Limited, Tokai International Limited, S. G. Warburg & Co. Ltd.

Application has been made to the Council of The Stock Exchange of the United Kingdom and the Republic of Ireland ("The Stock Exchange") for the Notes to be admitted to the Official List. Interest is payable quarterly in arrears in October, January, April and July. Listing particulars relating to the Notes and the Abbey National Building Society are available in The External Statistical Service and copies of the listing particulars may be obtained during usual business hours up to and including 30th June, 1986 from the Company Announcements Office of The Stock Exchange and, up to and including 10th July, 1986 from the addresses shown below:

Abbey National Building Society, Greenwall Montagu & Co., The Chase Manhattan Bank, N.A., Abbey House, Bow Bells House, Woolgate House, Baker Street, Bread Street, Coleman Street, London NW1 6XL, London EC4M 9EL, London EC2P 2HD

26th June, 1986

EQUITIES

Table of equity prices with columns for Issue, Amount Paid, Latest Return, High, Low, and Stock. Includes various company names like Anglo-Continental, Anglo-Continental, Anglo-Continental.

FIXED INTEREST STOCKS

Table of fixed interest stocks with columns for Issue, Amount Paid, Latest Return, High, Low, and Stock. Includes various bond and interest-bearing securities.

"RIGHTS" OFFERS

Table of rights offers with columns for Issue, Amount Paid, Latest Return, High, Low, and Stock. Lists various companies offering rights.

Informational text regarding rights offers, including details on how to apply and where to find more information.

F.T. CROSSWORD PUZZLE NO. 6,057

Crossword puzzle grid with clues for Across and Down. The grid is partially filled with letters.

Across clues: 1 Believe it's about a record in performance (6), 4 Immersed, stirred, and gently cooked (8), 7 Paddy's cool (6), 10 Energetic spell, the top man (8), 11 Book about a retrogressive Communist (6), 12 Inattentive, having no schedule (8), 13 A sailor—in fact a real sea-dog (3), 14 Comes down, though there's only slight change (6), 17 A university man in debt's backed but cut (7), 21 End at one point, and that's swell! (6), 25 A craft for a simpleton (3), 26 New trade he's organised will get capital support (4-4), 27 The composition of paint? (4-2), 28 Altering old characters may be essential (8), 29 Air filter (6), 31 In general people agree certain changes are needed in this country (6).
Down clues: 5 Weaken and look after a naughty child (6), 6 A note written in a moment? (6), 7 Annoyed about article, so was abusive (6), 8 One gets possibly under five hundred to assimilate (6), 12 Beat a medical man by the end (7), 15 A pen carried by most youngsters (3), 16 Bright colour is not for progressive people! (3), 18 Diana's blower may well result in catastrophe (8), 19 Inexperienced motorist—one on a charge for causing damage (8), 20 Persons upset over egg-head's retort (8), 22 Seating for church displays (6), 22 The minister spent gold (6), 24 Yank on a fiery beast (6), 25 "Her terrible tale you can't ... with truth it quite agrees." Gilbert (The Mikado) (6), Solution to Puzzle No. 6,056.

Down clues: 1 Behind everyone else, despite every consideration (5, 3), 2 Drive a camping convertible (8), 3 Final words about dislike for gratuities (8).

AUTHORISED UNIT TRUSTS

Large table of authorized unit trusts with columns for Name, Issue, Amount Paid, Latest Return, High, Low, and Stock. Lists numerous unit trust funds and their performance.

FT UNIT TRUST INFORMATION SERVICE

Table of unit trust information with columns for Name, Issue, Amount Paid, Latest Return, High, Low, and Stock. Lists various unit trust funds and their performance.

Handwritten signature or mark at the bottom of the page.

AUTHORISED UNIT TRUSTS & INSURANCES

Table listing various unit trusts and insurance policies, including Welford Unit Trust Managers Ltd, Cannon Assurance Ltd, and Welford Asset Management Ltd.

Table listing unit trusts such as Eagle Star Insurance, Equitable Life Assurance Society, and Equity & Law.

Table listing unit trusts including London & Manchester Group, National Mutual of Australasia, and National Provident Institution.

Table listing unit trusts such as Provincial Life Assurance Co Ltd, Scottish Amicable Investments, and Scottish Life Assurance Co Ltd.

INSURANCES

Table listing insurance companies and their products, including AA Friendly Society, Abbey Life Assurance Co Ltd, and Aetna Life Assurance Co Ltd.

Table listing insurance companies such as Family Assurance Society, Federation Mutual Insurance Ltd, and Friends' Provident Life Office.

Table listing insurance companies including M & G Group, National Mutual of Australasia, and National Provident Institution.

Table listing insurance companies such as Provincial Life Assurance Co Ltd, Scottish Amicable Investments, and Scottish Life Assurance Co Ltd.

Table listing insurance companies including Allied Dunbar Assurance Plc, Amstar Life Assurance Co Ltd, and American Life Insurance Co UK.

Table listing insurance companies such as Annuity General Life Assurance Co, British National Life Assurance Co Ltd, and British Overseas Life Assurance Co Ltd.

Table listing insurance companies including British National Life Assurance Co Ltd, British Overseas Life Assurance Co Ltd, and British United Assurance Co Ltd.

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INSURANCE, OVERSEAS & MONEY FUNDS

Table listing various insurance and overseas fund products with columns for company name, fund name, and numerical values.

Table listing insurance and overseas fund products, including company names like 'Brown Shipley Fund Mgmt' and 'Fidelity International'.

Table listing money funds and trust funds, including 'J. Henry Schroder Wag & Co Ltd' and 'Wentworth Life Insurance'.

Table listing management services, including 'Standard Life Assurance Company' and 'First Financial Services PLC'.

Table listing insurance and overseas fund products, including 'Fidelity International' and 'Horseshoe Fund Mgmt'.

Table listing money market bank accounts, including 'Standard Bank Fund Managers' and 'Standard Chartered Bank'.

Table listing insurance and overseas fund products, including 'Alliance Capital Management' and 'Alliance Investment Fund SA'.

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Money Market Trust Funds

Money Market Bank Accounts

TRADITIONAL OPTIONS

3-month call rates

Table listing traditional options and 3-month call rates, including 'Industrials' and 'Agriculture'.

NOTES: A note explaining the calculation of the net annual rate after deduction of CRT, and other financial details.

COMMODITIES AND AGRICULTURE

London's commodity traders see expanding role for options

BY STEFAN WAGSTYL

COMMODITY TRADERS IN LONDON expect the options market to grow in importance in the next few years, according to a wide-ranging survey of the trade carried out by the Bank of England.

Some companies also plan to consolidate or increase their financial futures business says a report published in the Bank's latest Quarterly Bulletin.

The proportion of income earned from commission on client business—as opposed to own-account trading in the market—has stayed at about 60 per cent, says the report.

The report highlights the strong growth of financial futures—the proportion of gross earnings coming from financial futures jumped from 0.8 per cent in 1983 to 15.9 per cent last year, while physical trade in commodities dropped from 44.2 per cent to 26.9 per cent.

Table with 4 columns: Year, Number of firms, Total responding earnings, Average profit, Largest profit. Data for 1982, 1983, 1984, 1985.

International Freight Futures increased from 41.3 per cent to 46 per cent.

WEEKLY METALS

All prices as supplied by Metal Bulletin. ANTIMONY: European free market, 99.6 per cent, \$ per tonne, in warehouse, 2,490-2,570.

US copper strike fears ease

BY DAVID OWEN IN CHICAGO

NEWMONT MINING, one of the largest producers in the US, yesterday said it had reached tentative agreement in pay talks with trade union leaders, greatly increasing the likelihood that the strike might escape significant strikes this summer.

operating smelters and fabrication plants throughout the US. Output at some facilities is now "exceeding pre-strike levels," according to one company spokesman.

LONDON MARKETS

COPPER led a general decline in base metals values on the London Metal Exchange yesterday as a combination of Sterling's strength against the dollar and news of Newmont Mining of the US's tentative agreement with its workers pushed the cash price down \$23 to a 3 1/2 year low of \$897.50 a tonne.

ALUMINIUM

Official closing (am): Cash 767.0 (761.2), three months 790.7 (782.5), settlement 790.7 (782.5).

COPPER

Official closing (am): Cash 801.5 (794.5), three months 825.5 (817.5), settlement 825.5 (817.5).

LEAD

Official closing (am): Cash 265.0 (261.2), three months 282.0 (277.5), settlement 282.0 (277.5).

NICKEL

Official closing (am): Cash 2,885.0 (2,875.0), three months 3,025.0 (2,995.0), settlement 3,025.0 (2,995.0).

GOLD

Gold gained \$1 to \$344.347 on the London bullion market yesterday as a combination of the morning and \$344.16 in the afternoon.

GOLD BULLION (FINE OUNCE)

Official closing (am): June 25 2000.0 (1995.0), three months 2150.0 (2120.0), settlement 2150.0 (2120.0).

GOLD AND PLATINUM COMBS

Official closing (am): June 25 2000.0 (1995.0), three months 2150.0 (2120.0), settlement 2150.0 (2120.0).

SILVER

Silver was fixed 2.85p an ounce for spot delivery in the London bullion market yesterday at 357.25p.

TIN

Official closing (am): June 25 1,100.0 (1,095.0), three months 1,200.0 (1,180.0), settlement 1,200.0 (1,180.0).

ZINC

Official closing (am): June 25 1,100.0 (1,095.0), three months 1,200.0 (1,180.0), settlement 1,200.0 (1,180.0).

MEAT

Pigment sales: 80 (47) lots of 50 cases, 3,260 kg.

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INDICES

REUTERS June 26/25 (June 24/25) 1986/1985

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US MARKETS

THE STRENGTH of the Chicago livestock markets continued with a second consecutive day of limit-up movements across the board in the hog complex, reports Helms & Commodities.

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Official closing (am): June 25 1,100.0 (1,095.0), three months 1,200.0 (1,180.0), settlement 1,200.0 (1,180.0).

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GOLD AND PLATINUM COMBS

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PLATINUM 50 Troy oz. \$/Troy oz.

Table with 4 columns: Month, Close, High, Low, Prev. Data for June, July, August, September, October, November, December.

HEATING OIL

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

ORANGE JUICE 15,000 lb. cents/lb.

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

SILVER 5,000 Troy oz. cents/Troy oz.

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

SUGAR "C" 37,500 lb. cents/lb.

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

COFFEE "C" 37,500 lb. cents/lb.

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

COPPER 25,000 lb. cents/lb.

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

COTTON 50,000 lb. cents/lb.

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

CRUDE OIL (LIGHT)

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

GOLD 100 Troy oz. \$/Troy oz.

Table with 4 columns: Month, Close, High, Low, Prev. Data for July, August, September, October, November, December.

SUGAR

The market began by holding but after the EEC raised 97,225 tonnes prices fell to new lows for the move, reports C. Carrillo.

FOREIGN Dollar

CHANGE OF CURRENCY

MONEY MARKET

UK rate

UK rate

UK rate

CURRENCIES; MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar continues to fall

The dollar weakened in quiet foreign exchange trading yesterday. Tuesday's durable goods orders for May provided further evidence of sluggish US economic growth, and Friday's May US trade deficit was expected to be a great improvement over the April deficit of \$12.07bn.

£ IN NEW YORK

Table with columns: June 26, Latest, Prev. close. Rows for Spot, 1 month, 3 months, 6 months, 12 months.

STERLING

Trading range against the dollar in 1986 is 1.5555 to 1.7300. May average 1.5922. Exchange rate index rose 0.5 to 78.1, after opening at 75.5.

whether to unwind long positions in the dollar. At the Frankfurt meeting the Bundesbank did not intervene when the dollar fell to DM 2.2185 from DM 2.2289.

FINANCIAL FUTURES

Still no incentive

Trading remained confined to within recent levels in the London International Financial Futures Exchange yesterday.

helped by a good reception to the latest four-year bond auction and expectations that last night's seven year auction would attract similar interest.

POUND SPOT—FORWARD AGAINST POUND

Table with columns: Day's spread, Close, One month, % Three months, % Six months. Rows for US, Canada, West Germany, etc.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

Table with columns: Day's spread, Close, One month, % Three months, % Six months. Rows for UK, Ireland, Canada, etc.

CURRENCY MOVEMENTS

Table with columns: Bank of England, Morgan Guaranty, etc. Rows for Sterling, Canadian dollar, etc.

LIFFE LONG GILT FUTURES OPTIONS

Table with columns: Strike, Call, Put, etc. Rows for 120, 115, 110, etc.

LIFFE US TREASURY BOND FUTURES OPTIONS

Table with columns: Strike, Call, Put, etc. Rows for 82, 80, 78, etc.

PHILADELPHIA SE E/S OPTIONS

Table with columns: Strike, Call, Put, etc. Rows for 1.30, 1.25, 1.20, etc.

LIFFE EURO-DOLLAR OPTIONS

Table with columns: Strike, Call, Put, etc. Rows for 92, 90, 88, etc.

CHICAGO

Table with columns: US Treasury Bonds, US Treasury Bills, etc. Rows for 20-year, 10-year, etc.

LONDON

Table with columns: 20-year, 10-year, 5-year, etc. Rows for 12% notional, etc.

EXCHANGE CROSS RATES

Table with columns: Jun 25, £, DM, Yen, FF, S Fr, H Fl, Lira, C \$, B Fr.

CURRENCY RATES

Table with columns: Bank of England, Morgan Guaranty, etc. Rows for Sterling, Canadian dollar, etc.

OTHER CURRENCIES

Table with columns: Argentina, Australia, Brazil, etc. Rows for 1,2400, 1,2400, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: June 25, Short term, 7 days notice, 1 month, 3 months, 6 months, 1 year.

STERLING INDEX

Table with columns: June 25, Previous. Rows for 9.30 am, 10.00 am, etc.

EMU EUROPEAN CURRENCY UNIT RATES

Table with columns: Euro, Currency, % change, % change, Difference.

MONEY MARKETS

UK rates reflect improved sentiment

Interest rates were slightly easier where changed in London yesterday. Higher rates in base rates were rekindled as sterling improved and pressure increased on other major nations to cut rates.

FT LONDON INTERBANK FIXING

Table with columns: Three months US dollars, Six months US dollars, etc.

LONDON MONEY RATES

Table with columns: June 25, One night, 7 days notice, 1 month, 3 months, 6 months, 1 year.

MONEY RATES

Table with columns: June 25, Frankfurt, Paris, Zurich, etc. Rows for 4.15-4.25, 7 1/4, etc.

NEW YORK RATES

Table with columns: Luncetime, Broker loan rate, Fed funds, etc.

UK clearing bank base lending

UK clearing bank base lending is set to rise since May 23. The move is seen as a result of US pressure, secured mainly following Treasury's disinflationary target.

East Rand Gold and Uranium Company Limited

(Incorporated in the Republic of South Africa)

"A satisfactory year, with a 20 per cent increase in gold production and a record R94.6 million after-tax profit"

Extracts from the review by the Chairman Mr. E. P. Gush

Financial The company had a satisfactory year, with profit after tax achieving a record R94.6 million compared with the previous year's R74.2 million.

Economic and socio-political factors South Africa is experiencing a turbulent economic and political period.

Markets Gold: The average gold price for the financial year to March 31 1986 was \$328 per ounce, 4 per cent lower than the \$340 of the previous year.

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KLM Royal Dutch Airlines

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The Kingdom of Thailand

U.S.\$5,000,000 Floating Rate Capital Notes due 2000

In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the last three months of the Interest Period ending on 29th September, 1986 has been fixed at 7 1/2 per annum.

Manufacturers Hanover Limited Reference Agent

COUNTERFEITS & FORGERIES

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BRITISH FUNDS

Table of British Funds with columns for Name, Price, and % Change. Includes sections for Short-term (Lives up to Five Years), Five to Fifteen Years, Over Fifteen Years, Index-Linked, Int. Bank and Overseas Govt Sterling Issues, Commonweath & African Loans, and Foreign Bonds & Rails.

AMERICANS—Cont.

Table of American Stocks with columns for Name, Price, and % Change. Includes sections for Building, Timber, Roads, Drapery & Stores, Chemicals, Plastics, and Food, Groceries, Etc.

LONDON SHARE SERVICE

Main table of London Share Service with columns for Name, Price, and % Change. Includes sections for Building, Timber, Roads, Drapery & Stores, Chemicals, Plastics, Food, Groceries, Etc., and Hotels and Caterers.

ENGINEERING—Continued

Table of Engineering Stocks with columns for Name, Price, and % Change.

INDUSTRIALS—Continued

Table of Industrial Stocks with columns for Name, Price, and % Change.

INDUSTRIALS—Continued

Table of Industrial Stocks with columns for Name, Price, and % Change.

INDUSTRIALS—Continued

Table of industrial stocks including companies like Anglo-Siam, Anglo-Siam, Anglo-Siam, etc. with columns for stock price, price, and other financial metrics.

INSURANCES

Table of insurance companies and their stock prices, including Anglo-Siam, Anglo-Siam, etc.

LEISURE—Continued

Table of leisure-related stocks and their prices.

LEISURE—Continued

Table of leisure-related stocks including Leisure, Leisure, Leisure, etc.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks including Motors, Aircraft, etc.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including News, Publishers, etc.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising stocks including Paper, Printing, Advertising, etc.

PROPERTY—Continued

Table of property-related stocks including Property, Property, Property, etc.

PROPERTY

Table of property-related stocks including Property, Property, Property, etc.

PROPERTY—Continued

Table of property-related stocks including Property, Property, Property, etc.

SHOES AND LEATHER

Table of shoes and leather stocks including Shoes, Leather, etc.

SOUTH AFRICANS

Table of South African stocks including South Africans, South Africans, etc.

TEXTILES

Table of textile stocks including Textiles, Textiles, Textiles, etc.

TOBACCO

Table of tobacco stocks including Tobacco, Tobacco, Tobacco, etc.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including Trusts, Finance, Land, etc.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including Trusts, Finance, Land, etc.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including Investment Trusts, Investment Trusts, etc.

FINANCE, LAND—Cont.

Table of finance and land stocks including Finance, Land, etc.

FINANCE, LAND, etc.

Table of finance and land stocks including Finance, Land, etc.

FINANCE, LAND, etc.

Table of finance and land stocks including Finance, Land, etc.

FINANCE, LAND, etc.

Table of finance and land stocks including Finance, Land, etc.

FINANCE, LAND—Cont.

Table of finance and land stocks including Finance, Land, etc.

OIL AND GAS

Table of oil and gas stocks including Oil, Gas, etc.

OVERSEAS TRADERS

Table of overseas trader stocks including Overseas Traders, Overseas Traders, etc.

PLANTATIONS

Table of plantation stocks including Plantations, Plantations, etc.

PLANTATIONS

Table of plantation stocks including Plantations, Plantations, etc.

PLANTATIONS

Table of plantation stocks including Plantations, Plantations, etc.

PLANTATIONS

Table of plantation stocks including Plantations, Plantations, etc.

MINES—Continued

Table of mine stocks including Mines, Mines, Mines, etc.

Diamond and Platinum

Table of diamond and platinum stocks including Diamond, Platinum, etc.

Central African

Table of Central African stocks including Central African, Central African, etc.

FINANCE

Table of finance stocks including Finance, Finance, Finance, etc.

FINANCE

Table of finance stocks including Finance, Finance, Finance, etc.

FINANCE

Table of finance stocks including Finance, Finance, Finance, etc.

FINANCE

Table of finance stocks including Finance, Finance, Finance, etc.

FINANCE

Table of finance stocks including Finance, Finance, Finance, etc.

FINANCE

Table of finance stocks including Finance, Finance, Finance, etc.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including Regional, Irish, etc.

Recent Issues and Rights Page 43 (International Edition Page 23)

WORLD STOCK MARKETS

Table of world stock markets including Austria, Germany, Norway, Australia, Japan, Canada, and others. Columns include stock names, prices, and changes.

CANADA

Table of Canadian stock markets including Toronto and Montreal. Columns include stock names, prices, and changes.

INDICES

Table of various stock indices including New York, London, and others. Columns include index names, values, and changes.

OVER-THE-COUNTER

Table of over-the-counter stock markets including Nasdaq national market. Columns include stock names, prices, and changes.

NEW YORK

Table of New York stock markets including active stocks and indices. Columns include stock names, prices, and changes.

NEW YORK ACTIVE STOCKS

Table of New York active stocks including company names, prices, and changes.

LONDON

Table of London stock markets including chief price changes and active stocks. Columns include stock names, prices, and changes.

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ANKARA

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NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Prices at 3pm, June 25

Main table of stock prices with columns for stock name, price, and change. Includes sub-sections for 'D D D', 'C C C', 'H H H', 'M M M', and 'O O O'.

Continued on Page 33

NYSE COMPOSITE PRICES

Continued from Page 32

Table of NYSE Composite Prices with columns for 12 Month High, Low, Stock, P/E, % Chg, and various stock symbols.

AMEX COMPOSITE PRICES

Prices at 3pm, June 25

Table of AMEX Composite Prices with columns for 12 Month High, Low, Stock, P/E, % Chg, and various stock symbols.

Table of AMEX Composite Prices with columns for 12 Month High, Low, Stock, P/E, % Chg, and various stock symbols.

OVER-THE-COUNTER

Nasdaq national market, closing prices

Large table of Over-the-Counter prices with columns for Stock, Sales, High, Low, Last, and various stock symbols.

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Continued on Page 31

FINANCIAL TIMES

WORLD STOCK MARKETS

WALL STREET

Broad-based advance to peaks

DESPITE a reaction in the bond market which lost early half-point gains. Wall Street stocks moved to new peaks yesterday, writes Terry Byland in New York.

A broad-based advance in active trading took all the major market indices to new highs, with banking and retail stocks standing out strongly.

At 3pm the Dow Jones industrial average was up 15.83 at 1,891.38 comfortably above the previous peak of 1,885.90 reached on June 6.

Also at new peaks were the Standard & Poor's 500, the Dow and NYSE composites and the American Stock Exchange index.

Initial gains of half a point in bonds brought long-term yields down to about 7.30 per cent, only a few basis points above the lows of the present cycle.

Wall Street's renewed hopes that a flagging economy would force rates down were fuelled this week by predictions of an early cut in the federal discount rate by the chief economist of First Boston. But gains melted away at noon as the market awaited news from

the auction on \$6.75bn in seven-year Treasury securities.

The stock market's strength lay in those sectors likely to benefit from lower rates and low inflation. However, market analysts warned that some institutional buying represented end-of-quarter programmes which would soon be completed.

Mexico's new attempt to reach accord with the IMF was an additional helpful factor for banks. Manufacturers Hanover, a major creditor in Latin America, gained 1 1/4 to \$44. Chase Manhattan added \$1 1/4 to \$52. Bankers Trust \$1 1/4 to \$50 and J.P. Morgan \$1 1/4 to \$68 1/2.

There was heavy buying of tobacco stocks, with Philip Morris up 1 1/4 to \$74, still responding to the withdrawal of the planned sale of Seven-Up to PepsiCo. Soft-drink companies seem to have a bright future following the federal decision to oppose expansion attempts by PepsiCo and Coca-Cola. Withdrawal of the Seven-Up plan leaves Coca-Cola, up 5 1/2 at \$121 1/2 yesterday, to face alone federal opposition to its proposed purchase of Dr Pepper.

American Brands, overlooked in the rise in tobacco stocks earlier this week, jumped 3 1/4 to \$94 in brisk trading. Reynolds-Nabisco added 3/4 to \$54, and United Brands, still responding to a favourable court ruling in a cancer liability case, edged up 1/4 to \$42 1/2.

Sears Roebuck, which spans the interest-rate and retail-oriented sectors, gained 1 1/4 to \$48 in heavy turnover.

Another heavy session saw stock in Associated Dry Goods rise 3/4 to \$66 1/2, just above the planned offer from May

Department Stores which fell 1 1/4 to \$81 as Wall Street scented that the board might have to increase its offer for Dry Goods.

A gain of 1 1/4 to \$148 1/2 in IBM reflected no more than moderate turnover but spurred other technology stocks, which featured Honeywell, up 1 1/4 to \$76, and Digital Equipment, up 1 1/4 to \$86 1/2.

Walt Disney jumped 3/4 to \$52 1/2 on favourable brokerage reviews. Fruehauf gained \$2 to \$48 1/2, with more than 2m shares trading on news of leveraged buy-out terms of \$48.50 a share cash.

The Detroit car stocks edged higher despite caution over the latest industry sales figures. General Motors added 1/4 to \$77 1/2, Ford 3/4 to \$55 and Chrysler 1/4 to \$35 1/2 - but all saw modest trading.

Early weakness in the dollar boosted pharmaceuticals, where Pfizer gained 1 1/4 to \$70 1/2 and Abbott Laboratories 1 1/4 to \$51 1/2. Chemicals were steady, with Monsanto standing out at \$73, a gain of 1 1/4.

In the credit market, short-term rates again made little response to the optimism at the longer end of the bond market. Treasury-bill rates shaded behind federal funds at 6 1/2 per cent. By mid-session bonds had lost their early gains and showed little net change from overnight.

LONDON

THE REVIVAL of interest in gilt-edged securities continued in London, and once again the authorities were able to supply stock. Sterling's fresh advance against the dollar was also a stimulant.

Most of the action in the gilt market was at the longer end, and selected stocks rose up to 1/4 before easing to close a net 1/4 up.

A more convincing resumption of last week's good rise in equities owed much to Tuesday's advance on Wall Street. Cash shortages were obvious because of the heavy subscriptions to the Thames TV and Morgan Grenfell share flotations.

The FT-SE 100 share index eased back from an early high of 1,633.4 to end 4.5 up on the session at 1,628.4. A rise in the FT Ordinary was similarly reduced, from an early 8.3 points to one of 5.4 at the close of 1,344.8.

Chief price changes, Page 31; Details, Page 30; Share information service, Pages 28-29

HONG KONG

PERSISTENT SELLING of property shares, largely by foreign investors, left Hong Kong easier although other sectors were mostly quiet with many institutions having already closed their books for half-year end.

The Hang Seng index eased 4.18 to 1,759.72 on turnover that fell from 231m shares to 177m for the regular half-day session.

Cheung Kong shed 10 cents to HK\$20.80, Hongkong Wharf 15 cents to HK\$6.95 and Sun Hung Kai Properties 10 cents to HK\$12.30.

A market rumour that HK-TVB might merge with Shaw Brothers, of which it is an associate, prompted speculative buying that took the Shaw shares up 10 cents to HK\$7.20. HK-TVB eased 5 cents to HK\$7.20.

SINGAPORE

A RESURGENCE of buying interest overcame early profit-taking in Singapore, leaving the Straits Times industrial index up 5.71 at 771.44 after another active day.

Industrials were generally firm, with New Straits Times 31 cents ahead at S\$3.15 and Cerebos 10 cents higher at S\$3.42. Banks were mixed, but properties were mixed to firmer.

Malaysian issues, which have lagged behind their Singapore counterparts in recent weeks, were more prominent as a Cabinet committee was established to cut red tape and speed approval of the investment plans of foreigners, particularly from Japan, Britain and the US.

AUSTRALIA

NERVOUSNESS over the outlook for the economy, reinforced by the sharp declines in the local currency during the past two days, left Sydney lower.

The All Ordinaries index fell 11.3 to 1,921.5, undermined by international selling of Australian shares and tax-loss operations ahead of the end of the financial year.

Hooker, which rose 23 cents on Tuesday after the announcement that it had been awarded the Sydney casino contract, continued higher in early trading before turning back to end a net 15 cents lower at A\$2.53.

SOUTH AFRICA

LACK OF DEMAND left Johannesburg gold shares lower after a quiet session, despite a firmer bullion price.

Veal Reefs fell R4 to R220, and Kloof was R1.30 down at R24.20. Randfontein proved an exception picking up R7 to R297.

Most other minings followed the downward drift, with Rustenburg Platinum 25 cents lower at R37.25 and De Beers 15 cents easier at R28.10.

CANADA

INDUSTRIALS led most Toronto sectors higher in active trading. British Columbia Forest Products traded C\$8 1/4 up to C\$14 1/4, Moore added C\$2 to C\$35 1/4 and Bank of Nova Scotia rose C\$2 to C\$10 1/4.

Among metals and mines Alcan traded C\$4 up to C\$42 1/2, and Noranda advanced C\$2 to C\$18 1/4.

In Montreal industrials, utilities and banks traded largely unchanged.

TOKYO

GDP figures spur hopes of rate cut

EXPECTATIONS of lower interest rates, in the wake of data showing the first contraction of the Japanese economy for 11 years, spurred renewed buying that took Tokyo shares back to record-setting ways, writes Shigeo Nishiwaki of Jiji Press.

The Nikkei average added 174.23 to a record 17,516.63 in contrast to Tuesday's 115.49 loss. Transactions totalled 820.88m shares, down from Tuesday's 864.64m. Gains led losses 534 to 333, with 132 issues unchanged.

The poor GNP showing for the first quarter boosted investor hopes for a fourth cut in the official discount rate and active government measures to boost the economy.

Large-capital stocks remained volume leaders, with individual investors following institutions in seeking capital gains. However, buying began to shift from steel, shipbuilding and chemical issues to heavy electricals and cotton spinners.

Ishikawajima-Harima Heavy Industries, for example, has more than doubled from a low of Y150 early in the year, offering little hope of further gains, and many institutional investors started turning to lagging issues.

Nippon Kohan and Ishikawajima-Harima were both actively traded. They closed unchanged at Y187 and Y297, respectively. However, Toyobo climbed Y24 to Y416 with investors attracted by the company's huge off-the-book assets.

Toshiba rose Y12 at one stage but closed a net Y3 lower at Y437 on profit-taking. Stocks that may benefit from budget measures - notably general contractors - were in demand. Obayashi rose Y23 to Y683, and Taisei edged Y21 to Y580.

Leading trading houses also rose, with Mitsu and Co and C. Itoh rising Y20 to Y500 and Y19 to Y543, respectively. Increasing demand for carbon fibres pushed up Toray and Toho Rayon by Y24 to Y804 and Y53 to Y880, respectively. Yokyo Tatemono advanced Y90 to Y1,550 on speculative interest while Nippon Television Network added Y1,200 to Y12,600.

Elsewhere, Sanden went up Y103 to Y1,050 and Morinaga Milk Industry Y40 to Y684.

Bond prices started higher, reflecting hopes of another discount-rate cut, but profit-taking later broke the rise. The yield on the barometer 6.2 per cent government bond maturing in July 1995 fell from 4.810 per cent on Tuesday to 4.710 per cent but picked up to finish at 4.730. Observers said financial institutions were poised to sell the bonds at 4.710 per cent and that buying energy was not strong enough to meet such heavy selling.

In futures trading, September contracts for government bonds added Y0.38 to Y102.98 but could not top Y103 over selling pressure, retreating to Y102.80. Observers said market attention was beginning to focus on whether bonds could break these barriers.

EUROPE

Unsettled outlook for exporters

CONCERN over the prospects for companies with substantial exports to the US took its toll on the European bourses in the wake of a further weakening of the dollar.

Frankfurt failed to sustain early strength and closed weaker on balance in thin and uncertain trading. The Commerzbank index, calculated at mid-session, added 2.2 to 1,954.3.

In the electrical sector Siemens, one of the groups involved in talks on joint European microchip research, lost DM 1.50 to DM 632.50. AEG was down DM 3 to DM 305.

Car manufacturers, unsettled by the concern over exports, closed lower. Daimler fell DM 14.50 to DM 1,350.5, VW DM 13 to DM 535 and BMW DM 2 to DM 585.

BASEF, ahead of its annual meeting tomorrow, suffered a DM 5.50 setback to DM 279.50.

Among banks Dresdner closed DM 1 down to DM 414.50, and Commerzbank was 30 pf down at DM 307.20. However, Deutsche closed DM 1 higher at DM 777.50 following its DM 15.50 fall on Tuesday, the biggest in the sector.

Another bright spot in the otherwise dull session was Allianz, which put on DM 30 to DM 2,390 on news of a one-for-15 rights issue and increased payout.

In contrast to the equity market, bonds were actively traded, and prices

ended the session higher. Longs added between 25 basis points and 60 basis points.

The recent 5 1/2 per cent 1996 federal government bond rose 60 basis points to close at 99.45 while the 6 per cent 2018 tranche added 30 basis points to 98.10.

The Bundesbank sold DM 120.8m worth of paper after buying DM 4.1m on Tuesday.

Amsterdam lacked sparkle under the influence of the weaker dollar and closed mixed.

Internationals, however, which suffered from selling on Tuesday, regained some of their losses to close generally higher. Royal Dutch added F1 4 to F1 201, Unilever F1 1.50 to F1 485, Hoogovens 50 cents to F1 113.20 and Philips, also involved in the joint microchip venture, 20 cents to F1 53.90.

The financial sector also showed improvement. Among banks ABN rose F1 4.50 to F1 586, Amro F1 1.30 to F1 106.80 and NMB F1 1 to F1 197 while insurers NatNed rose 20 cents to F1 86.30 and Arnef 10 cents to F1 109.30.

Zurich closed mixed with a marginal firmer bias.

Among banks Swiss Bank rose Sfr 2 to Sfr 538 although Sfr 15 went against the trend, falling Sfr 75 to Sfr 3,525.

Swissair lost Sfr 30 to Sfr 1,620 while shares of engineering group Fisher, which has announced higher sales, rose 75 cents to Sfr 1,625. Nestlé closed Sfr 5 up at Sfr 8,300.

Milan's upward trend earlier this week came to an end as institutions moved to the sidelines. After-hours trading, however, erased the losses of some shares including Fiat and Montedison. At the close Fiat was L190 down at L11,530 but later rose to L11,850, and Montedison, down L33 down to L3,250 at the close, rallied after hours to L3,380.

Brussels, in contrast to other bourses, scored some healthy gains as confidence returned.

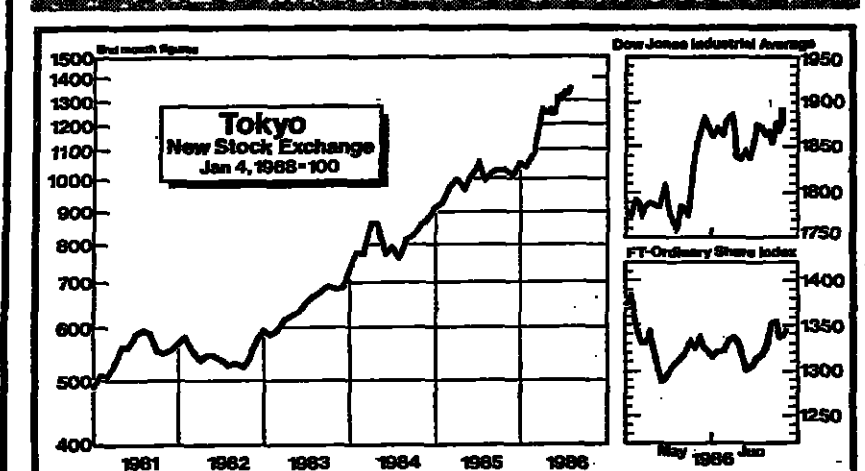
Petrofina continued buoyant on strong first-half forecasts adding Bfr 180 to Bfr 8,530. Also in the oil sector Cometra rose Bfr 95 to Bfr 2,920.

Stockholm drifted lower although prices recovered marginally towards the end of the session. According to central bank figures sales of stock in Volvo by foreign investors caused a net inflow from abroad of Swedish shares totalling SKr 423m during May.

Oslo closed lower ending an 11-day upward trend, and Madrid fell in quiet trading.

Renewed buying interest at home and abroad took Paris higher.

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	June 25	Previous	Year ago
FT Industrials	1,891.38*	1,875.65	1,822.08
DJ Transport	784.75*	781.13	650.98
DJ Utilities	192.98*	191.04	184.50
S&P Composite	249.54*	245.26	189.74

LONDON	June 25	Previous	Year ago
FT-SE 100	1,628.4	1,623.9	1,248.3
FT-A All-share	804.98	801.84	638.14
FT-A 500	888.98	886.12	651.35
FT Gold mines	195.5	203.7	439.0
FT-A Long gilt	9.39	9.38	10.62

TOKYO	June 25	Previous	Year ago
Nikkei	17,516.63	17,342.40	12,837.0
Tokyo SE	1,353.86	1,344.50	1,025.58

AUSTRALIA	June 25	Previous	Year ago
All Ord.	1,957.7	1,905.9	860.8
Metals & Mins.	509.5	519.2	512.5

AUSTRIA	June 25	Previous	Year ago
Credit Aldien	116.42	117.84	102.37

BELGIUM	June 25	Previous	Year ago
Belgian SE	3,676.78	3,656.64	2,316.17

CANADA	June 25	Previous	Year ago
Toronto	2,141.2*	2,129.9	1,889
Metals & Mins	3,068.1*	3,058.1	2,708.7
Montreal	1,580.25*	1,550.29	132.38

FRANCE	June 25	Previous	Year ago
CAE Gen	353.70	346.60	229.0
Ind. Tendance	133.50	131.10	83.8

WEST GERMANY	June 25	Previous	Year ago
FAZ-Aktien	648.88	650.02	484.21
Commerzbank	1,955.50	1,954.30	1,433.2

HONG KONG	June 25	Previous	Year ago
Hang Seng	1,759.72	1,763.50	1,576.15

ITALY	June 25	Previous	Year ago
Banca Com.	671.71	674.88	336.24

NETHERLANDS	June 25	Previous	Year ago
ANP-CBS Gen	280.10	286.90	211.0
ANP-CBS Ind	283.90	283.00	174.8

NORWAY	June 25	Previous	Year ago
Oslo SE	364.80	366.01	325.75

SINGAPORE	June 25	Previous	Year ago
Straits Times	771.44	765.73	793.47

SOUTH AFRICA	June 25	Previous	Year ago
JSE Golds	1,276.0	1,007.0	1,007.0
JSE Industrials	1,172.8	976.6	976.6

SPAIN	June 25	Previous	Year ago
Madrid SE	177.16	178.28	77.66

SWEDEN	June 25	Previous	Year ago
J & P	2,399.10	2,403.97	1,311.70

SWITZERLAND	June 25	Previous	Year ago
Swiss Bank Ind	559.20	560.50	441.9

WORLD	June 24	Prev	Year ago
M&S Capital Int'l	323.10	320.2	213.3

COMMODITIES	June 25	Prev	Year ago
(London)			
Silver (spot fixing)	337.20p	334.25p	
Copper (cash)	2897.50	2919.50	
Coffee (September)	21,684.50	21,766.00	
Oil (Brent blend)	511.45	511.30	

GOLD (per ounce)	June 25	Prev	Year ago
(London)			
Zurich	\$344.25	\$342.45	
Paris (fixing)	\$343.88	\$341.78	
Luxembourg	\$343.50	\$341.05	
New York (Aug)	\$347.1	\$345.20	

CURRENCIES

US DOLLAR	June 25	Previous	Year ago
(London)			
DM	2.2160	2.2220	3.3625
Yen	166.0	166.6	251.75
FF	7.065	7.0825	10.7175
Sfr	1.8175	1.822	2.7575
Guilder	2.494	2.502	3.785
Lira	1,518.5	1,523	2,303.5
Ruf	45.25	45.5	68.65
CS	1.3855	1.3855	2.1090

INTEREST RATES

3-month US\$	6%	7%
3-month US\$	6%	7%
6-month US\$	6 1/2%	6%
US 3-month CDs	6.55%	6.925
US 3-month T-bills	6.065%	6.25

US BONDS

Treasury	June 25	Prev
7 1/2 1988	100%	6.92
7 1/2 1993	99%	7.40
7 1/2 1998	99%	7.42
7 1/2 2018	99%	7.45

TREASURY INDEX

Maturity (years)	Return	Day's change	Yield	Day's change
1-30	152.41	+0.65	7.46	-0.09
1-10	144.79	+0.48	7.30	-0.09
1-3	136.13	+0.20	7.03	-0.07
2-5	146.53	+0.52	7.46	-0.11
15-30	178.77	+1.19	8.02	-0.07

CORPORATE

AT & T	Price	Yield	Price	Yield
3% July 1990	90%	6.75	90	6.78
SCRT South Central	106%	9.51	106%	9.51
Phibro-Sal	98	8.25	98	8.30
TRW	102%	8.30	102%	8.37
Arco	104.18	9.45	104.4	9.50
General Motors	92%	8.82	91%	8.98
Citicorp	98.64	9.56	97%	9.60

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
US Treasury Bonds (CBT)				
8 1/2 20nds of 100%				
Sept				